

Daily Report

China

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General

Foreign Ministry Holds Weekly News Briefing

Congress Criticized on MFN

OW1107095591 Beijing XINHUA Domestic Service in Chinese 0846 GMT 11 Jul 91

["China Criticizes U.S. Congress for Interferring in China's Internal Affairs"—XINHUA headline]

[Text] Beijing, 11 Jul (XINHUA)—Duan Jin, spokesman for the Ministry of Foreign Affairs, said at a news conference today that any unilateral revocation of the most-favored-nation [MFN] trading status for China or attaching conditions to its extension constitutes an interference in China's internal affairs, and is absolutely unacceptable to China.

Duan Jin said: On 10 July, the U.S. House of Rrepresentatives adopted a motion by Representative Pelosi on conditional extension of China's MFN trading status. On the same day, the House also adopted Representative Solomon's bill disapproving the extension. This constitutes a gross inteference in China's internal affairs, which the Chinese Government is firmly against.

Duan Jin reiterated: The mutual extension of MFN trading status between China and the United States is a reciprocal arrangement to facilitate the development of economic and trade relations between the two countries. Such an arrangement not only is in the interest of the Chinese people, but the American people as well. Any unilateral revocation of the MFN trading status for China or attaching conditions to its extension constitutes an interference in China's internal affairs and is absolutely unacceptable.

He said: The Chinese Government urges the U.S. Congress to correct such practices that interfere in China's internal affairs and hurt the Chinese people's feelings to avoid a serious retrogression in Sino-U.S. relations.

He continued: We have noticed that the number of congressmen opposing the revocation of MFN status or its conditional extension in this voting has increased compared to last year. We hope more and more U.S. Congressmen will understand that the unconditional extension of China's MFN status is in the interest of both China and the United States.

Cambodian SNC Talks Welcomed

OW1107094191 Beijing XINHUA in English 0933 GMT 11 Jul 91

[Text] Beijing, July 11 (XINHUA)—The Chinese Government welcomes the principal members of the Cambodian Supreme National Council (SNC) to hold their meeting in Beijing at the invitation of Prince Norodom Sihanouk. The Chinese Government will give them help and due courteous reception.

This was stated by a spokesman of the Chinese Foreign Ministry at a weekly press conference here this afternoon when asked to comment on the Cambodian issue.

The spokesman said that China has made it clear that China is willing to establish and maintain relations with all parties of the SNC of Cambodia after the SNC starts its normal operation.

Answering a question about China's expectation for the meeting of the four parties of the SNC to be held in Beijing in mid-July, the spokesman said that China hopes all the parties of Cambodia under the leadership of Sihanouk will throw away the past resentment, achieve national reconciliation, and conscientiously implement the agreements reached at the Phatthaya meeting, so as to bring about a comprehensive, just and reasonable political settlement of the Cambodian issue at an early date and turn Cambodia into an independent, neutral, peaceful and non-aligned country.

Hun Sen Invitation

HK1107134591 Hong Kong AFP in English 1059 GMT 11 Jul 91

[Text] Beijing, July 11 (AFP)—China refused Thursday to confirm or deny that it had invited pro-Vietnamese Cambodian Prime Minister Hun Sen to make a three-day visit here this month.

Mr. Hun Sen told Radio Phnom Penh on Thursday that China had asked him to attend talks here following an upcoming meeting, also in Beijing, of the rival Cambodian factions July 16-17.

According to Radio Phnom Penh, Mr. Hun Sen has accepted the invitation, relayed by deposed Cambodian monarch and nominal resistance leader Prince Norodom Sihanouk.

But questioned about the invitation, Foreign Ministry spokesman Duan Jin merely said China reiterated "that after the start of normal operations of the SNC (the Supreme National Council, grouping the four factions) China is ready to maintain and establish ties with all the parties in the SNC."

He was evidently referring to the Vietnam-installed Phnom Penh government, whose arch enemy, the Khmer Rouge, has received massive military and diplomatic assistance from China during Cambodia's 12year-old war.

Prince Sihanouk's office here confirmed that the former monarch had relayed an invitation from the Chinese governmer, asking Mr. Hun Sen to attend talks here July 22-24.

Such an invitation would represent an important new development in the Cambodian peace process, experts It would coincide with Beijing's support for the recent efforts of Prince Sihanouk who, despite his alliance with the Khmer Rouge, has undertaken to act as a bridge between the factions.

China cast doubt last month on the holding of a scheduled SNC meeting here and only recently confirmed that it would take place.

On the informal meeting that is to take place next week, the spokesman said he hoped "all the parties of Cambodia will, under the leadership of Prince Sihanouk, cast aside all their grievances and achieve a true national reconciliation."

Spratlys, Paracels Sovereignty

OW1107082491 Beijing XINHUA Domestic Service in Chinese 0740 GMT 11 Jul 91

["Foreign Ministry Spokesman Says China's Position on the Nanhai Issue Remains Unchanged"—XINHUA headline]

[Text] Beijing, 11 Jul (XINHUA)—Duan Jin [3008 3160], spokesman for the Ministry of Foreign Affairs, said at a news conference today that China has indisputable sovereignty over the Nansha [Spratly] and Xisha [Paracel] islands and their nearby waters.

The spokesman made the statement when answering a reporter's question. The reporter asked: China has indicated it will send representatives to attend the second symposium on the Nanhai issue scheduled to take place in Bandung in mid-July. Does this mean China has changed its position on the Nanhai issue?

Duan Jin said: "The fact that Chinese experts will attend the symposium on the Nanhai issue does not mean China has changed its position on the issue in any way. China stands for the settlement of relevant disputes by peaceful means. We are willing to work with relevant states in exploring ways and means of cooperation and joint development.

Philippine-Taiwan Ties Criticized

OW1107082991 Beijing XINHUA in English 0818 GMT 11 Jul 91

[Text] Beijing, July 11 (XINHUA)—A Chinese Foreign Ministry spokesman today urged the Philippine Government to stop its activities of official nature with Taiwan.

The spokesman made the remark at today's press conference when asked to comment on the reported signing of an agreement on the transit of sea lanes and memorandum of co-operation in agriculture and fishery between the Philippines and Taiwan.

He said, "We are deeply concerned about this report. The Chinese Government is firmly opposed to any official exchanges between countries that have diplomatic ties with China and Taiwan or to the signing of any treaty or agreement of an official nature between them."

He said that the government of the People's Republic of China is the sole legal government representing whole China and Taiwan is an inalienable part of the territory of the People's Republic of China. Any official agreement signed between a country and Taiwan is illegal and null and void, he said.

"We hope that the Philippine Government will, proceeding from the larger interest of safeguarding the China-Philippines friendship, take resolute measures to stop forthwith its activities of an official nature with Taiwan," he said.

CAR-Taiwan Accord Opposed

HK1107020191 Hong Kong AFP in English 0118 GMT 11 Jul 91

[Text] Beijing, July 11 (AFP)—China stopped short Thursday of announcing a break in diplomatic relations with the Central African Republic [CAR], but ruled out simultaneous recognition by Bangui of Beijing and Taipei.

The republic's foreign minister, Laurent Gomina-Pampali, signed an agreement in Taipei on Monday to establish formal relations with Taiwan.

"We have read the particular news from the foreign press," a Chinese Foreign Ministry spokesman said Thursday. "As everybody knows, the Chinese government holds a consistent position on this issue."

"We ... firmly oppose the establishment or resumption of so-called diplomatic relations with the Taiwan authorities by any country having diplomatic relations with China," the spokesman said.

China and Taiwan have been in a diplomatic tug-of-war since Taipei launched its "flexible diplomacy" policy in 1989 that would allow foreign countries to recognize the two rival governments simultaneously.

The Chinese spokesman said his government "firmly opposes" Taipei's policy.

Dalai Lama's USSR Trip Protested

HK1107133191 Hong Kong AFP in English 1111 GMT 11 Jul 91

[Text] Beijing, July 11 (AFP)—China vigourously protested Thursday the visit of the Dalai Lama to the Soviet Union, where he has just begun a three-week tour.

He was invited there by the country's Buddhist community and is expected to visit the autonomous regions of Buryat and Kalmik.

But a Chinese Foreign Ministry spokesman, Duan Jin, said the visit by the Tibetan spiritual leader had a political purpose.

"We are firmly opposed to the Dalai Lama conducting any political activities in other countries and it is also unacceptable to the Chinese Government that officials of foreign countries meet with the Dalai Lama in any capacity or any form," Mr. Duan said during a weekly press conference.

"The Dalai Lama is not only a religious leader. He is living in exile abroad, engaging in activities aimed at splitting China."

After fleeing China in 1959 following the failure of an anti-Chinese revolt in Tibet, the Dalai Lama set up a government in exile in India. It is not recognised by any foreign country.

It is routine for China to protest any foreign trip by the Daisi Lama.

Oian Oichen To Visit Malaysia

OW1107081891 Beijing XINHUA in English 0650 GMT 11 Jul 91

[Text] Beijing, July 11 (XINHUA)—Chinese State Councillor and Foreign Minister Qian Qichen will pay a visit to Malaysia from July 17 to 21 at the invitation of Foreign Minister Datuk Abdullah Badawi of Malaysia.

Qian will also attend the opening ceremony of the ASEAN ministerial meeting in Kuala Lumpur upon invitation and meet with the foreign ministers of the ASEAN countries.

This was announced by a spokesman of the Foreign Ministry at a press conference here this afternoon.

Trip To Aid ASEAN Bid

HK1107101391 Hong Kong AFP in English 0858 GMT 11 Jul 91

[Text] Beijing, July 11 (AFP)—Foreign Minister Qian Qichen will go to Malaysia next Wednesday for a five-day visit to promote China's bid to become a dialogue partner of the Association of Southeast Asian Nations (ASEAN), officials said.

Mr Qian will attend the opening ceremony of an ASEAN ministerial meeting, a Chinese Foreign Ministry spokesman said.

An ASEAN diplomat here said Malaysian Foreign Minister Abdullah Badawi had invited his Chinese and Soviet counterparts on bilateral visits to Kuala Lumpur coinciding with group's meeting.

Both communist giants have formally applied to become dialogue partners and the visits would "give them the chance to have exploratory discussions on an individual basis with ASEAN foreign ministers," the diplomat said.

She added that they were not expected to gain the status during the Kuala Lumpur visit.

In May, Japanese Foreign Minister Taro Nakayama told Mr Abdullah that Tokyo opposed inviting Beijing and Moscow to the ASEAN meeting as full dialogue partners. The ASEAN ministers were to meet July 19 and 20 and expand their discussions July 22 and 23 to include their dialogue partners, which include Japan, the United States, Canada, the European Community, Australia, New Zealand and the newest member, South Korea.

China is keen to promote economic relations with its market-oriented southern neighbors. President Yang Shangkun visited Indonesia and Thailand last month.

"In restoring and establishing diplomatic relations with Indonesia and Singapore (in August and October last year), China has ... brought its relationship with ASEAN countries into a new stage of comprehensive development," Premier Li Peng said in March.

He said China hoped to establish diplomatic relations with Brunei, the only ASEAN country without formal ties with Beijing.

The other ASEAN countries are Indonesia, Malaysia, the Philippines, Singapore and Thailand.

Mauritius Prime Minister To Visit

OW1107080891 Beijing XINHUA in English 0751 GMT 11 Jul 91

[Text] Beijing, July 11 (XINHUA)—Prime Minister Anerood Jugnauth of Mauritius will pay an official visit to China from July 19 at the invitation of Premier Li Peng.

This was announced by a Foreign Ministry spokesman at a weekly press conference here this afternoon.

NPC Delegation To Latin America

OW1107080191 Beijing XINHUA in English 0700 GMT 11 Jul 91

[Text] Beijing, July 11 (XINHUA)—At the invitation of the parliaments of Ecuador, Peru, Chile and Argentina, a delegation of the Chinese National People's Congress (NPC) headed by Vice-Chairman Wang Hanbin of the NPC Standing Committee will pay a goodwill visit to the four countries respectively from late July.

A spokesman of the Chinese Foreign Ministry made this announcement at a press conference here this afternoon.

Middle East Arms Control Conference Ends

OW1007073891 Beijing XINHUA Domestic Service in Chinese 0505 GMT 10 Jul 91

[By reporter Wang Yunjiu (3769 6663 0036)]

[Text] Paris, 9 Jul (XINHUA)—The conference on arms control in the Middle East, attended by representatives of the five permanent members of the UN Security Council, closed in Paris this evening. The conference adopted, in principle, a document concerning arms control, the transfer of military goods, and nonproliferation of arms in the Middle East.

The document points out that the attendees are concerned with the current trend of arms proliferation, and they maintained that just, rational, comprehensive, and balanced measures for preventing arms proliferation and controlling arms should be adopted on a global as well as regional basis. The five nations maintain that arms exports should be conducted responsibly, and that all countries have legitimate self-defense rights and have the right to conduct legitimate arms transfers for self-defense purposes.

The document point, out that the five nations support the plans to establish a zone without weapons of mass destruction in the Middle East and to carry out comprehensive arms control in the region.

The document concludes that the five nations have expressed their readiness to continue consultations on international arms trade and nonproliferation of arms.

Before the conference closed, Liu Huagiu, head of the Chinese delegation and vice minister of foreign affairs, made a speech about their reservations. He said: "We have reservations about certain sections of the documents. We must point out, in particular, that some passages in the document about measures concerning arms control and disarmament in the Middle East are not balanced. They only ask the Middle East countries to do this or to do that, but they fail to fully consider that region's security, balance, and stability. In addition, they do not involve countries outside of that region, as well as the special responsibilities of big countries, who have the largest arsenals and export the largest quantities of weapons. We also must point out that the documents should state what should be done to maintain and enhance that region's security, balance, and stability."

Further on Liu Huagiu Remarks

CM1107143791 Beijing RENMIN RIBAO in Chinese 10 Jul 91 p 7

[By reporter Wang Yunjiu (3769 6663 0036)]

[Text] Paris, 8 Jul (RENMIN RIBAO)—Liu Huaqiu, head of the Chinese delegation and vice minister of foreign affairs, addressed a conference on arms control in the Middle East held by the five permanent members of the UN Security Council, which opened today in Paris. He stressed that arms control in the Middle East should follow the principle of fairness, reasonableness, comprehensiveness, and balance. He also pointed out that countries selling the largest quantities of weapons to the region should assume special responsibilities and obligations.

Liu Huaqiu said: The Middle East is one of the regions in the world where arms are highly concentrated. A major part of the arms have come from the developed countries. Statistics show that more than 70 percent of the weapons imported by Middle East countries between 1985 and 1988 came from major developed countries, of which the lion's share was taken by just one or two big powers whose annual weapon sales to hat region exceed \$10 billion. In view of this, it necessary, first and foremost, for those countries exporting large quantities of high-technology, suphisticated, and advanced weapons to that region to take a responsible approach and exercise self-restraint in real earnest rather than calling for arms control in the Middle East on the one hand while taking the lead in dumping large quantities of advanced weapons there on the other.

Liu Huaqiu said: Although China has sold some weapons to the Middle East region, it has all along adopted a responsible and prudent attitude toward the international arms trade and complied with the following principles: 1) The sales should be helpful to the justified defense capability of the countries concerned; 2) the sales should not be harmful to peace, security, and stability in the region; and 3) no arms trade should be used to interfere in the internal affairs of other countries. If all countries concerned stop selling weapons to the Middle East region, China will have no difficulty doing likewise.

Liu Huaqiu said: By saying that arms control in the Middle East should follow the principle of fairness, reasonableness, comprehensiveness, and balance, China means that all types of weapons and all countries should be subject to control. No such thing should be done as controlling certain types of weapons only, but not those with an equivalent or even greater offensive capability. All countries in the Middle East region should be treated equally, and the double-standard practice should be guarded against. In the process of arms reduction and control in the Middle East, it is necessary to avoid aggravating the imbalance and instability in the Middle East region. The unbalanced situation now existing in the Middle East region should be corrected.

He said: China supports the establishment of a zone without nuclear weapons and large-scale destructive weapons in the Middle East. The countries in that region should destroy these types of weapons and their research and development and production facilities. The nuclear facilities in that region should be placed under the International Atomic Energy Agency's security guarantee [an quan bao zhang 1344 0356 0202 7140]. Countries other than those in the Middle East region should promise not to supply to that region these types of weapons and the special technologies, accessories, and parts for their research and development and production. At the same time, countries not in the Middle East region in possession of such large-scale destructive weapons should assume the obligation of not using such weapons against the Middle East region or deploying such weapons there.

Liu Huaqiu said China holds that the armed forces of all countries should be used only for purposes of selfdefense, and that no country should seek to attain an armament level beyond reasonable defense needs. Lie urged those developed countries exporting large quantities of weapons to the Middle East not to us: arms sales in seeking hegemony.

Referring to the question of openness of the arms trade, Liu Hunqiu said: In principle, China has no objection to discussing openness of the arms trade, but this question involves the sovereignty, security, and interests not only of seller countries but also buyer countries. Because of this, when discussing the que. in, it is necessary to consider and take into account the interests of both sellers and buyers countries.

Liu Huaqiu pointea out: The question of arms control in the Middle East region is inseparably linked to a fair and comprehensive political settlement of the Middle East issue. For this reason, while solving the arms control question in the Middle East, it is necessary to bring about the return of the occupied territories of Arab countries and to restore the legal national rights of Palestinians in accordance with relevant UN Security Council resolutions. In the meantime, the sovereignty and security of Israel should also be respected and guarnateed.

In conclusion, Liu Huaqiu said: The final settlement of the issue of arms control in the Middle East requires the participation of all Middle East countries. To realize arms control in the Middle East region, it is necessary to fully respect and heed the opinions and proposals of the Middle East countries and to guard against a few countries monopolizing the whole affair and imposing their will on others. The United Nations and its Security Council as well as multilateral arms control and disarmament mechanisms, such as disarmament talks, should play their role to the full in arms control and the peace process in the Middle East. A UN or regional conference on disarmament in the Middle East attended by all Middle East countries should be held when necessary.

Bush Accuses Iraq of Hiding Nuclear Programs

OW1107090491 Beijing XINHUA in English 0330 GMT 11 Jul 91

[Text] Washington, July 10 (XINHUA)—President George Bush today accused the Iraqi Government of still not telling the whole truth about its nuclear weapons programs and warned anew that the United States was "deadly serious" about eliminating them.

At a White House press conference, Bush said the admission Baghdad made to the United Nations on Monday about its programs to manufacture enriched uranium was a sign of "progress."

"But we will be watching this very carefully," Bush said.
"There is still reason to believe that he (Iraqi President Saddam Husayn) is hiding and has not come totally clean" about nuclear weapons programs.

Bush said he has begun consulting with other world leaders, including Egyptian President Husni Mubarak, on the need "to keep our eyes wide open" on the Iraqi nuclear programs.

"I'm hopeful that (President Husayn) got the message, because we are deadly serious," Bush added.

Bush also said he wanted to keep the economic sanctions on against Iraq.

"Our argument is not with the people of Iraq. It is not even with other leaders in Iraq," Bush said. "We'd be perfectly willing to give the (Iraqi) military another chance, provided Saddam Husayn was out of there and representations were made to the rest of the world of their willingness to ... play by international law."

United States & Canada

MFN Issue, Role in Sino-U.S. Ties Examined

Further on Diplomat's Remarks

OW1007171091 Beijing XINHUA Domestic Service in Chinese 1109 GMT 10 Jul 91

[By reporter Wei Guoqiang (7614 0948 1730)]

[Text] Washington. 9 July (XINHUA)—Chen Guoqiang, press counselor at the Chinese Embassy in the United States, published an article in THE WASH-INGTON TIMES on 9 July, pointing out that should the United States unilaterally revoke China's most favored nation [MFN] status, "there will inevitably be a major retrogression in Sino-U.S. relations."

The article, entitled "MFN Status and Sino-U.S. Relations," says: MFN trade status, despite the misleading terminology, is not a concession, let alone a favor to China. It is merely a standard, reciprocal arrangement that grants advantageous tariff rates to a trading partner's imports. China and the United States granted each other MFN status in 1979. This status has laid the foundation for developing trade between the two countries. "Scrapping MFN status to China or extending the status with political conditions attached will seriously undermine or even dismantle this foundation."

The article emphatically points out: The economies of China, the world's largest developing country, and the United States, the most developed country, are complementary. "Sino-U.S. relations are not only very important to the two countries but also of vital significance to world peace and stability." Therefore, China does not want to see a major retrogression in Sino-U.S. relations as a result of the United States scrapping China's MFN status.

In conclusion, the article points out: "A China policy formulated on the basis of expediency is a shortsighted one, and it is not conducive to the common interests of the two countries. The difficult period in Sino-U.S.

relations is not yet over; the United States still maintains sanctions against China. The wholesome trade relations between the two countries are also facing a crisis. It is our hope that China and the United States will transcend their differences in social systems and ideology and set great store by the fundamental interests of the two countries so that bilateral relations can return to normal at an early date and develop further on the basis of the three joint communiques."

XINHUA Notes House Vote

OW1107041493 Beijing XINHU4 in English 0403 GMT 11 Jul 91

[Text] Washington, July 10 (XINHUA)—The United States House of Representatives passed two resolutions on the renewal of China's most-favored-nation trade status (MFN) Wednesday evening, after more than five hours of debate.

On a vote of 223 to 204, the House adopted a joint resolution disapproving of President George Bush's decision to extend unconditionally the MFN status for China.

President Bush notified the Congress of his decision at the end of May.

The House also adopted a bill, by a vote of 313-112, demanding that some conditions be attached to the renewal of China's MFN in 1992.

According to U.S. legislation procedure, the resolution of disapproval will move to the Senate for a vote next week and, if passed, will be sent to the President for his decision on whether it will be made into a law or not.

If the President vetoes it, both chambers of Congress have to get more than two thirds of the votes to override the veto.

The Senate will also vote on a bill concerning a conditional renewal of China's MFN. The bill differs to some extent from the one passed by the House today, therefore if it is adopted by the senate, the Congress will set up a joint conference to work out a common bill before sending it to the President.

The Congress and the administration are expected so finish the precedure before the summer congress recess in late August.

President Bush has said on several occasions recently that the U.S. should continue to offer MFN status for China unconditionally, since normal trade relations hold out the best hope for encouraging reform in China.

UK's Major Urges Renewal

OW1007081091 Beijing XINHUA in English 0212 GMT 10 Jul 91

[Text] London, July 9 (XINHUA)—British Prime Minister John Major today urged the United States to renew its most favored nation status for China.

In a written reply to a parliamentary question, Majorsaid, "renewal by the United States of most favored nation status for China is of great importance to Hong Kong."

He warned that U.S. refusal to restore the status to China would adversely affect American commercial interest and investment in Hong Kong.

It could cost 43,000 jobs in Hong Kong, halve its economic growth and lose up to 12 billion U.S. dollars in trade, he said.

Major said the restoration of most favored nation status for China would be vital to investment and employment in Hong Kong as Hong Kong's economy is linked with that of China.

Bush Lifts Sanctions Against South Africa

OW110705; 391 Beijing XINHUA in English 0023 GMT 11 Jul 91

[Text] Washington, July 10 (XINHUA)—U.S. President George Bush today lifted the U.S. five-year-old economic sanctions against South Africa, saying there had been a "profound transformation" in South Africa toward dismantling the racially segregated apartheid system.

In the face of opposition at home and abroad, Bush said he would continue an arms embargo over South Africa.

At a press conference at the White House, Bush said he had signed and issued an executive order terminating the sanctions against South Africa.

"In doing so, based on recommendation from Secretary (of State James) Baker, I have determined that the South African Government has the all five of the conditions for these sanctions to end as set forth very clearly in the (1986) act," Bush said.

The U.S. sanctions were passed by the Congress in 1986 over a veto by then-President Ronald Reagan. The act says sanctions will be in effect until the South African Government meets with five conditions: releasing all political prisoners, repealing the state of emergency, legalizing all political parties, repealing apartheid laws and agreeing to "good faith" negotiations with black representatives.

The law prohibits the import of South African coal, textiles, iron, steel and agricultural products. It also bans export of U.S. crude oil to South Africa and prevents South African airways from flying into the United States.

Bush said he had spoken by telephone this merning with the African National Congress' newly-elected president Nelson Mandela and told him that U.S. lifting sanctions was "the right thing to do."

But Mandela told Bush that he did not agree with lifting san, tion. U.S. Assistant Secretary of State for African Affairs Herman Cohen said Mandela "feit it was premature, that the process of dismantling apartheid had not progressed far enough."

House Speaker Thomas Foley said "I'm not satisfied" that the South African Government has released all its political prisoners. "I don't think the President does recognize it, that the sanctions have had a powerful and positive effect on the movement of South Africa toward dismantling of apartheid." Foley said.

"The most important element—political rights has not been achieved," the speaker added.

In Houston, where the nations [National] Association for Advancement of Colored People (NAACP) held its annual convention, Benjamin Hooks, the executive director of NAACP, said "it would be criminally irresponsible" for President Bush to lift the sanctions before South Africa grants more rights to blacks.

"If you want to see progress stop, you lift sanctions, now," he said. "Sanctions have brought South Africa to the negotiations table and we need it until we get a little farther down the road," Hooks said.

Bush also appealed for all sides in South Africa to work peacefully toward a restructured society and predicted the lifting would give a needed boost to the South African economy.

Veterans Group Meets New Vietnamese Party Chief

OW 1107023891 Beijing XINHUA in English 2353 GMT 10 Jul 91

[Text] Washington, July 10 (XINHUA)—The first U.S. delegation to meet Vietnam's new Communist Party chief found Hanoi leaders eager to settle the issue of Americans missing in action (MIA) and restore relations between the two countries, the head of a U.S. veterans group said today.

Rep. Lane Evans, who headed a mission with representatives from the American Legion, the Veterans of Foreign Wars and the Vietnam Veterans of America and return d on Monday, said they met new Communist Party chief Do Muoi for more than an hour for talks exclusively on the MIA issue.

Evans said the meeting with Do Muoi, who succeeded Nguyen Van Linh as party general secretary on June 27, was not originally on their itinerary, but "as the trip developed I think they realized the urgency of the issue and the seriousness of this delegation." The Vietnamese promised Americans "virtually unlimited latitude to go anywhere, anytime without any kind of advance notice" to pursue MIA live-sighting reports and investigate crash sites of U.S. planes downed during the Vietnam war. Evans said.

He said the group "tried to convey to them just how strongly the American people feel about this issue and that it is one of the essential preconditions to better relations."

He said the Vietramese encouraged the U.S. veterans to set up an office a Hanoi to help in the search for information on 2.274 Americans listed as MlAs in Southeast Asia.

Evans also said the Vietnamese want relations with the United States "very badly" and are eager to see an end to the U.S. trade embargo and U.S. opposition to multilateral assistance to Vietnam from such groups as the International Monetary Fund.

Evans is co-chairman of Vietnam-era veterans in the Congress and is a member of the House Armed Services and Veterans Affairs Committees.

Soviet Union

Veterans' Delegation Meets PLA's Xu Xin.

OW 1007113391 Buijing XINHU: 4 in English 1051 GMT 10 Jul 91

[Text] Beijing, July 10 (XINHUA)—General Xu Xin, deputy chief of General Staff of the Chinese People's Liberation Army [PLA], met and feted a Soviet delegation of veterans head d by A. Pushkin, Soviet hero and retired lieutenant general, at the Great Hall of the People here this evening. They had a cordial conversation during the meeting.

The delegation arrived here today at the invitation of the Chinese Ministry of National Defense.

Chita Oblast Delegation Visits Inner Mongolia

SK1107035091 Hohhot Inner Mongolia People's Radio Network in Mandarin 1000 GMF 10 Jul 41

[Excepts] At the invitation of the regional Sino-Soviet Friendship Association, a six-member delegation of the Chita Oblast branch of the USSR-PRC Friendship Association of the Soviet Union, headed by (Guskewenina Vasekejiv), vice president of the Chita Oblast USSR-PRC Friendship Association and secretary of the Chita Oblast Soviet Executive Committee of the Russian Soviet Federated Socialist Republic, paid a friendly visit to our region.

Zhao Zhihong, vice chairman of the regional government, met with all members of the delegation at the assembly hall of the Inner Mongolia Regional Government on the afternoon of 9 July. On behalf of the regional government, Zhao Zhihong welcomed the Soviet guests on their visit to our region, and also introduced to them our region's industrial and agricultural production situation. [passage omitted]

Present at the meeting were Bai Yun, vice president of the Sino-Soviet Friendship Association under the regional association for friendship with foreign countries, and responsible persons of the regional foreign affairs office.

Spokesman Affirms Jul-Aug Summit Probable

OW1007212291 Beijing XINHUA in English 1912 GMT 10 Jul 91

[Text] Moscow, July 10 (XINHUA)—Soviet Presidential Spokesman Vitaliy Ignatenko reaffirmed today that the Soviet-U.S. summit would probably take place at the end of July and the first two days of August.

A date for the summit can be finalized if the remaining differences are ironed out in the Strategic Arms Reduction Treaty (START) at an upcoming meeting between the two foreign ministers, Ignatenko said.

Soviet Foreign Minister Aleksandr Bessmertnykh and Chief of Staff of the Soviet Armed Forces Mikhail Moiseyev are set to leave for U.S. on Thursday for a visit focusing on START.

The Soviet-U.S. summit was originally scheduled for last February in Moscow, but was delayed due to huge gaps between the two sides on conventional arms reduction and START.

Disputes on the issue of conventional arms reduction have been resolved, while most questions concerning START were settled in three meetings between the two foreign ministers earlier this year.

This fourth round of talks is expected to finally resolve the remaining problems that have kept the summit from taking place.

Gorbachev Prepares Own Plan

OW1007212491 Beijing XINHUA in English 1900 GMT 10 Jul 91

[Text] Moscow, July 10 (XINHUA)—Soviet President Mikhail Gorbachev will provide a summary of the speech he is scheduled to give at the G-7 summit in London on July 17, presidential Spokesman Vitaliy Ignatenko said here today.

The summary, which will be distributed to the seven leaders on July 12, is based on the president's own report and can be termed the "Gorbachev Plan," the spokesman added.

The Soviet president and leaders from nine republics agreed in talks on Monday that Gorbachev will bring a mixed program to the London G-7 summit. The program is based on the government's "Anti-Crisis Program"

along with certain elements of the "Harvard Plan," Russian Federation leader Boris Yeltsin said on Tuesday.

According to Ignatenko, Gorbachev will arrive in London late on July 16.

Between July 17 and 19, he will meet individually with leaders of the seven major industrialized nations of the world: Japan, France, Britain, Germany, Italy, Canada and the United States.

"The president expects understanding of the country's situation from the seven leaders he will meet with," Ignatenko said.

Antimonopoly Law Aids Move to Market Economy

OW1107034891 Beijing XINHUA in English 0108 GMT 11 Jul 91

[Text] Moscow, July 10 (XINHUA)—The Soviet Parliament today voted overwhelmingly for an antitrust law, the third economic-related bill it has passed this month.

The law "on the restriction of monopolistic activity in the USSR" bans restriction on competition, hoarding for speculation and illegal price hikes in the Soviet Union, TASS NEWS AGENCY reported.

The adoption of this law, and of those on privatization and foreign investment passed earlier this month, was believed an apparent effort to speed up the country's transition toward a market economy.

It also bans agreements on dividing up markets or blocking access to them, TASS said, adding government administration bodies are not allowed to set discriminatory or beneficial conditions for enterprises, nor can they make decisions on the centralized distribution of goods or impose bans on the circulation of goods from one republic to another.

To ensure the implementation of the law, the parliament endorsed the formation of an antitrust committee which has the right to order enterprises to stop violations.

Non-compliance with the antitrust committee's prescriptions may be punished with a fine of 1 million rubles.

However, the law grants authorities, enterprises and officials the right to appeal their cases at the Supreme Court and the High Court of Arbitration of the USSR if they disagree with the prescriptions of the committee.

Northeast Asia

DPRK Treaty Anniversary Celebrated

Leaders Send Greeting

OW1007212091 Beijing XINHUA Domestic Service in Chinese 1529 GMT 10 Jul 91

[Text] Beijing, 10 July (XINHUA)—Jiang Zemin, general secretary of the CPC Central Committee; State President

Yang Shangkun; Wan Li, chairman of the Standing Committee of the National People's Congress; and Li Peng, premier of the State Council, today jointly sent a cable to Kim Il-song, general secretary of the Workers Party of Korea [WPK] Central Committee and president of the DPRK, and Yon Hyong-muk, premier of the State Administration Council, extending greetings on the 30th anniversary of the signing of the Sino-Korean treaty on friendship, cooperation, and mutual aid.

The cable reads: "The signing of the Sino-Korean treaty on friendship, cooperation, and mutual aid was a significant event in the history of Sino-Korean friendship. In the past 30 years, the governments of our two countries have supported and closely cooperated with each other in wideranging areas, such as politics, economics, and culture, in accordance with the treaty's spirit. They have strengthened and developed the traditional friendship between the peoples of the two countries. Practice has proved that the treaty withstood the test of the changing international situation and possessed tremendous vitality."

The cable reads: "We are glad to see the diligent and courageous Korean people achieve phenomenal success in socialist construction by relying on their own efforts and working hard to promote their country's prosperity under the leadership of their great leader, President Kim Il-song, and the WPK. The Korean party and government have upheld an independent foreign policy of friendship and peace, and constantly strengthened friendship and cooperation with the peoples of various countries. In recent years, the situation on the Korean peninsula has moved in a direction favorable to the people and detente. This is the result of unflagging efforts by the Korean party and government."

The cable reads: "China and Korea are linked by common mountains and rivers and are as close as lips and teeth. Shared destiny and ideals have drawn the peoples of the two countries closely together. The Chinese party, government, and people are very pleased and satisfied with the constant development of Sino-Korean friendship. As in the past, they will do their utmost to strengthen and develop such friendship."

The cable expresses heartfelt wishes for the DPRK's prosperity and for constantly growing and ever-lasting friendship between China and Korea.

Wang Zhen Attends Banquet

OW1007143891 Beijing XINHUA in English 1358 GMT 10 Jul 91

[Text] Beijing, July 10 (XINHUA)—Chu Chang-chun, ambassador of the Democratic People's Republic of Korea (DPRK) to China, gave a banquet here this afternoon to celebrate the 30th anniversary of the signing of the Korea-China Treaty of Friendship, Co-operation and Mutual Assistance.

Among those present on the occasion were Chinese Vice-President Wang Zhen, State Councillor and Minister of National Defense Qin Jiwei, Head of the International Liaison Department of the Chinese Communist Party Central Committee Zhu Liang and Minister of Radio, Film and Television Ai Zhisheng, as well as Yi Cha-pang, member of the Central Committee of the Workers' Party of Korea and president of the Korea-China Friendship Association.

Proposing a toast, Qin Jiwei said that over the past 30 years the governments of the two nations have comprehensively developed the friendly relations of cooperation in the political, economic, cultural and other fields, in line with the treaty.

This, he went on, has effectively promoted the socialist construction of the two countries, and the treaty has stood the test of international pressures and contributed to safeguarding peace in Asia and the world as a whole.

Qin noted that in recent years leaders of the two countries and the two parties have met many times and exchanged views, enhancing the friendship and unity of the two peoples.

He stressed that the Chinese party, government and people are satisfied with the continuous growth of Sino-Korean friendship and will, as always, make unremitting efforts to further bilateral friendly ties of co-operation.

At the banquet Ambassador Chu Chang-chun said the Korean and Chinese peoples have closely united and made marked progress in socialist revolution and construction in the past 30 years, and the traditional Korea-China friendship has been strengthened and developed.

He said the Korean Workers' Party, government and people treasure very much this friendship and will pass it on from generation to generation.

In the current situation, he continued, the further strengthening of Korea-China friendship and unity will be a strong guarantee of final victory for the Korean and Chinese revolutions, and for the safeguarding of peace and security in Asia.

The ambassador stated that the Korean people will continue to stick to the obligations outlined in the treaty and always stand side by side with the Chinese people.

KPA Chief Speaks

OW1007180691 Beijing XINHUA in English 1630 GMT 10 Jul 91

[Text] Pyongyang, July 10 (XINHUA)—The Sino-Korean treaty of friendship, cooperation and mutual assistance has greatly contributed to the promotion of the two countries' socialist cause and the safeguarding of peace in Asia and the world, said Korean army chief Choe Kwang.

He made the remarks at a grand banquet held by the Government of the Democratic People's Republic of Korea (DPRK) here this evening marking the 30th anniversary of the signing of the bilateral treaty.

Referring to the issue of Korean reunification, Choe, who is a member of the Political Bureau of the Central Committee of the Korean Workers' Party and the chief of General Staff in the Korean People's Army [KPA], said it should be realized by the establishment of a confederation based on the notion of one nation, one state, two systems and two governments.

Choe said that the DPRK will achieve victory for the socialist cause and the independent and peaceful reunification of Korea by means of uniting the entire nation with the support of peace-loving peoples in the world.

In his speech, Chinese Ambassador Zheng Yi noted that the Sino-Korean treaty signed by the late Chinese Premier Zhou Enlai and President Kim Il-song, constituted an important milestone in the history of Sino-Korean friendship.

Zheng pointed out that for the past three decades, peoples from the two countries in line with spirit of the treaty have learned from and helped each other, and strengthened and expanded friendship and cooperation in political, economic, cultural, scientific and technological and military fields in the cause of their socialist revolutions and construction.

Present at the occasion were Yon Hyong-muk, member of the Political Bureau of the Central Committee of the Korean Workers' Party and the DPRK's premier, Kim Yong-nam, member of the Political Bureau, vice-premier and foreign minister for the DPRK, plus other high-ranking officials.

Chinese Embassy staff members and visiting Chinese delegations were also present.

Activities Mark Mongolian Revolution Anniversary

OW1007133291 Beijing XINHUA in English 1235 GMT 10 Jul 91

[Text] Ulaanbaatar, July 10 (XINHUA)—Mongolia has embarked on a difficult but bright road leading to national recovery, President Punsalmaagiyn Ochirbat said here today.

At a ceremony marking the 70th anniversary of the Mongolian People's Revolution which falls on tomorrow, the president urged his countrymen to fulfill the nation's pressing task of democratisation and transition to a market economy.

In the past seven decades, the president said, Mongolia has transformed it natural economy into a commodity economy by establishing new sectors such as industry, public health care, science and technology while improving transport and post and telecommunications.

He said Mongolia hopes to develop friendly relations with all other countries, especially the Soviet Union and China, in accordance with the principles of equality and mutual benefit.

His country will further relations with the Soviet Union despite current difficulties, the president said. The Soviet Union is Mongolia's largest creditor.

Closer Mongolia-China relations and cooperation will not only benefit the two countries, but also pave the way for Mongolia to develop relations with other Asian countries, the president said.

Both the Soviet Union and China have sent delegations to Ulanbaatar for the celebration.

Hohhot Consulate Reception

SK1107030791 Hohhot Inner Mongolia People's Radio Network in Mandarin 1000 GMT 10 Jul 91

[Text] On the evening of 10 July at the Inner Mongolia Hotel, the Mongolian Consulate General in Hohhot held a reception to mark the 70th anniversary of the victory of the Mongolian People's Revolution.

Among those invited to attend the reception were Chen Kuiyuan, Bai Junqing, Alatanaoqier, Zhao Zhihong, and Yun Zhaoguang, leaders of the region; He Yao, president of the regional association for friendship with foreign countries; Nai Deng, assistant to the chairman of the regional government; Wang Guoshi, chairman of the regional foreign affairs office; Jia Cai, secretary of the Hohhot City CPC Committee and mayor of the city; responsible persons of the regional departments, bureaus, and units concerned; and well-known persons of cultural, scientific, and academic circles. Jundui Saara, consul general of the Mongolian Consulate General in Hohhot, made a speech at the reception.

He said: Seventy years ago, under the leadership of the Mongolian People's Revolutionary Party, the Mongolian people won a victory in the revolution. After that, the Mongolian people made gigantic achievements in developing the construction undertakings. Through efforts of both sides, the friendship ties between the peoples of Mongolia and China returned to normal. This conforms to the fundamental interests of the peoples of the two countries. Along with the normalization of the relationship between the two countries, the Mongolian People's Republic and the Inner Mongolia Autonomous Region have positively developed their cooperative ties.

Jundui Saara also expressed thanks to the Inner Mongolia Regional CPC Committee, the regional government, and the regional departments concerned for their assistance and support to the work of the consulate general.

Zhao Zhihong, vice chairman of the regional government, made a congratulatory speech at the reception. On behalf of the regional people's government and the people of various nationalities in the region, Zhao Zhihong extended festive greetings to all comrades at the consulate general, and asked them to convey festive greetings to the Mongolian people.

Zhao Zhihong said: Under the leadership of the Mongolian People's Revolutionary Party, the Mongolian people have made gigantic achievements in the struggles and construction over the past 70 years. We congratulate the Mongolian people on their gigantic achievements. Since the relationship between the parties of China and Mongolia and between the two countries returned to normal, both sides have made new headway in their relationship. Over the past years, the Inner Mongolia Autonomous Region and the Mongolian People's Republic ceaselessly expanded the friendly cooperation and exchange ties in the economic, trade, scientific, technological, and cultural spheres; they also expanded the exchanges between the border leagues and the border provinces, and personnel exchange. This is of important significance to strengthening the good-neighborly relations between the two countries, developing the regional friendship and cooperation ties, and strengthening the friendship between the peoples of the two countries. We hope that we will continuously strengthen and steadily and deeply develop cooperation and exchange.

Chen Junsheng Views Parade

OW!107112491 Beijing XINHUA in English 0948 GMT 11 Jul 91

[Text] Ulaanbaatar, July 11 (XINHUA)—A military parade was reviewed today at the city square of Ulaanbaatar, the capital of Mongolia, to celebrate the 70th anniversary of the country's revolution.

The celebration activities were conducted in a low-key manner, with no processions by people from all walks of life, as was witnessed in previous years.

"People's Revolution" and "Nadam" were only slogans for the celebrations, which were followed by a two-day Nadam festival.

Mongolian President Punsalmaagiyn Ochirbat and Premier Dashiyn Byambasuren attended the celebrations. A visiting Chinese Government delegation headed by State Councillor Chen Junsheng was also present.

'Roundup' Examines Kaifu Agenda for U.S. Summit

OW1007182491 Beijing XINHUA in English 1428 GMT 10 Jul 91

["Roundup: Kaifu Intends To Boost Bilateral Ties With U.S.; by correspondent Zhu Ronggen"—XINHUA headline]

[Text] Tokyo, July 10 (XINHUA)—Japanese Prime Minister Toshiki Kaifu left here today for the United States to hold talks with U.S. President George Bush on various regional and global issues to boost bilateral cooperation.

Kaifu will also attend the London summit of seven major industrialized nations on July 15-17. He is scheduled to meet with Soviet President Mikhail Gorbachev in London soon after the summit.

Kaifu, whose current term of office expires at the end of October, hopes to get high marks at home from his performance in the U.S. and at the London summit, analysts said.

The Japan-U.S. summit in Kennebunkport, Maine, is regarded as an opportunity for Kaifu to demonstrate his "close relationship" with Bush. Their "informal, thorough and casual" chat is expected to last five or six hours with only a few aides assisting each leader, according to government sources.

Kaifu will seek Washington's support for Tokyo's cautious stance on economic aid to the Soviet Union—a subject expected to be on the top agenda at the London summit, which will be attended by leaders of Britain, France, Germany, Italy, Canada, the United States and Japan.

Japan remains reluctant to give large-scale financial assistance to the Soviet Union because there has been no progress in resolving a territorial dispute between the two countries, while European nations, especially Germany, Italy and France, are ready to help the Soviets.

The aim of Kaifu's mission is to form a joint strategy with Bush to avert any split among the G-7 nations and avoid Japan's possible isolation on the Soviet aid issue, analysts said.

Kaifu's talks with Bush are also designed to coordinate their views on other London summit topics, including the Uruguay Round of trade negotiations.

While Japan needs U.S. support on the Soviet issue, Washington has been urging Tokyo to take the lead in breaking the current impasse over farm trade issues and to open Japan's rice market.

But, Kaifu is expected to reiterate to Bush that Japan, the world's biggest farm product importer, is not prepared to lift a ban on rice imports from a standpoint of "food security", an idea that calls for self-sufficiency in staple foods.

Observers said Japan-U.S. relations have recently improved as major trade issues, including semiconductor, construction and sea turtles, were settled.

The Japanese Government drafted on July 6 a basic outline of positions for the London summit, government officials said.

The outline refers to economic policy, coordination, enhancement of the free trade system, assistance to the Soviet Union and political problems as main subjects for the meeting.

It also notes that Japan will work to impress upon other member countries the importance of the Asia-Pacific region, from which Japan is the only participant.

Bank Chief Li Guixian Meets Japanese Bankers

OW1107064491 Beijing XINHUA in English 0125 GMT 11 Jul 91

[Text] Beijing, July 11 (XINHUA)—Li Guixian, Chinese state councilor and governor of the People's Bank of China, met here this morning with Chairman Sumio Abekawa and President Akira Fujita of the Japanese Daiwa Bank.

During the meeting, Li briefed his guests on China's financial and economic situations.

Abekawa and Fujita are on a visit here at the invitation of the Bank of China.

Present at the meeting was Wang Deyan, chairman and governor of the Bank of China.

Near East & South Asia

Li Peng Begins Visit to Saudi Arabia

OW1007053291 Beijing XINHUA Domestic Service in Chinese 0038 GMT 10 Jul 91

["Li Peng Arrives in Saudi Arabia, Warmly Welcomed; by reporters Yang Mu (2799 2606) and Tang Jizan (0781 4949 6363)"—XINHUA headline]

[Text] Jeddah (Saudi Arabia), 9 Jul (XINHUA)— Bringing with him the cordial regards and sincere friendship of the Chinese people, Chinese Premier Li Peng arrived in Jeddah in the evening of 9 July to begin his 3-day official goodwill visit to Saudi Arabia. This is the first visit to this country by a Chinese leader since China and Saudi Arabia established diplomatic relations last July.

Premier Li Peng is visiting at the invitation of the Government of Saudi Arabia. This is the fourth leg of his six-nation Middle East tour. Before coming here, he visited Egypt, Jordan, and Iran.

Usually known as "the bride of the Red Sea," Jeddah, more than 1,000 km from Riyadh, the capital, is Saudi Arabia's second largest city. Today, national flags of China and Saudi Arabia fluttered over the Jeddah International Airport. At about 2000 (local time), the special plane carrying Premier Li Peng slowly landed at the royal aircraft parking area amid tens of thousands of lights in the city. Smiling, Premier Li Peng walked down the ramp. He was warmly welcomed by Saudi Crown Prince 'Abdallah Bin-'Abd-al-'Aziz, who is concurrently

first deputy prime minister; Prince Sultan Bin-'Abd-al-'Aziz, second deputy prime minister and minister of defense and civil aviation; (Majeddah), governor of Mecca; and others who had been waiting there to welcome him.

Crown Prince 'Abdallah presided over a solemn welcoming ceremony at the airport. Accompanied by Crown Prince 'Abdallah, Premier Li Peng followed the red carpet and mounted the reviewing stand while the royal band played the national anthems of the two countries. Then, accompanied by Crown Prince 'Abdallah, Premier Li Peng reviewed an honor guard and, standing in a colorful pavilion, shook hands with cabinet ministers, high-ranking military officers of Saudi Arabia, and diplomats of the Chinese Embassy to Saudi Arabia who had come to greet him.

Premier Li Peng issued a brief written statement at the airport, speaking highly of the friendly relations between China and Saudi Arabia. He said: "The Saudi Government and people, under the leadership of His Majesty King Fahd, are vigorously developing the national economy whose pillar is the petroleum industry. They have accomplished universally known achievements in building their country and raising the standard of living of the people. The Chinese Government and people express their extreme appreciation for and admiration of this and wish the Saudi people new continuous achievements in constructing and developing their country and in safeguarding their national independence.

"The friendship between the Chinese and Saudi peoples goes back to ancient history. Thanks to the mutual concern and efforts exerted by the leaders of the two countries, diplomatic relations between China and Saudi Arabia were established last July. This is not only in accord with the common aspirations and interests of the peoples of the two countries, but is also conducive to peace and stability in the world. The friendly and cooperative relations between our two countries have witnessed satisfactory development since the establishment of diplomatic relations. During my current visit I will have the honor of becoming acquainted with the leaders of Saudi Arabia, and I will exchange views with them on how to further develop bilateral relations, and on international and regional issues of mutual interest. I am convinced that our concerted efforts will result in the constant strengthening and expansion of Sino-Saudi friendly cooperation based on the five principles of peaceful coexistence.

Those accompanying Premier Li Peng and his wife on the visit include Qian Qichen, state councillor and foreign minister, and his wife, Zhou Hanqiong; Li Lanqing, minister of foreign economic relations and trade; Yuan Mu, director of the Research Office under the State Council; Gao Di and Yang Dezhong, special assistants to the premier; Liu Zhongli, deputy secretary general of the State Council; Liu Shuqing, director of the Office of Foreign Affairs under the State Council; Yang Fuchang, vice minister of foreign affairs; and others.

Sun Bigan, Chinese ambassador to Saudi Arabia, and working personnel of the Chinese Embassy greeted Premier Li Peng and his party at the airport.

During his visit to Saudi Arabia, Premier Li Peng will meet with King Fahd, who is also the prime minister of Saudi Arabia, and hold talks with Crown Prince 'Abdallah, who is concurrently first deputy prime minister of Saudi Arabia. The leaders of the two countries will fully exchange views on bilateral relations, Middle East and Gulf issues, and other international issues of mutual interest.

Premier Li Peng's special plane left Iran's Isfahan at 1800 local time on 9 July for the Jeddah airport.

Meets Prince Sultan

OW1007141191 Beijing XINHUA in English 1352 GMT 10 Jul 91

[Text] Jeddah, July 10 (XINHUA)—Visiting Chinese Premier Li Peng said today he expects his current visit here to further Sino-Saudi friendly relations of cooperation on the existing basis.

Li made the remark here when meeting Prince Sultan Bin-'Abd-al-'Aziz, the second deputy prime minister of the country.

Premier Li arrived here yesterday for a three-day official goodwill visit, the first by a top Chinese leader since the establishment of diplomatic relations between the two countries in July last year.

"As soon as we stepped on the territory of Saudi Arabia yesterday, we felt the friendly feelings of the Saudi leaders and people towards us," he said.

With the establishment of diplomatic ties between China and Saudi Arabia only a year ago, bilateral relations have enjoyed fast expansion, the Chinese premier said.

"This visit of mine is intended to boost the further advancement of the friendly and co-operative relations between our two countries," he added.

Meanwhile, Prince Sultan expressed the hope that Li's visit will be a new starting-point for the development of Saudi-Chinese relations and will help boost economic and trade relations, as well as in other areas.

Li, calling Saudi Arabia "an important country in the Middle East," said there are vast potentials for developing bilateral economic and trade ties, saying that the two countries should speed up the development of these ties.

A Chinese source described the meeting as "cordial and friendly."

During the meeting, the Saudi prince accepted Premier Li's invitation to visit China.

Talks With King Fahd

OW1007173891 Beijing XINHUA in English 1721 GMT 10 Jul 91

[Text] Jeddah, Saudi Arabia, July 10 (XINHUA)— Visiting Chinese Premier Li Peng and King Fahd Bin-'Abd'al-'Aziz al Sa'ud of Saudi Arabia today made a joint call for an early settlement to the Middle East issue.

In two hours of formal talks here this afternoon, the Saudi king gave a detailed account of the situation in the Middle East and the position his country holds.

King Fahd said the Palestine issue remains the core of the Mideast problem, which has lasted for quite a few years. The legitimate rights of the Palestinian people should be restored, the Saudi king said, urging Israel to adopt a flexible attitude in order to reach an agreement acceptable to both sides.

At the 1981 summit of the Arab League held in Fez, King Fahd recalled that Saudi Arabia put forward an eight-point plan on solving the Middle East question which was passed at the meeting. The plan is rational as it excludes no sides, he noted.

The Saudi king hoped that leaders of the five permanent members of the U.N. Security Council would attach greater importance to the Middle East issue. "It is high time for a solution to the Middle East issue," a Chinese diplomat quoted the king as saying.

Li Peng said China shares same view with Saudi Arabia concerning the Middle East issue, and agreed with King Fahd that it is time to settle the Mideast problem, of which the Palestine issue forms the core.

The way to settle the question lies in Israel's withdrawal from the occupied Arab territories and the restoration of the national rights of the Palestinian people, Li said.

The premier added the Mideast issue should be solved on the basis of the U.N. Security Council Resolutions 242 and 338. Meanwhile, the sovereignty and security of Israel should be guaranteed, he said.

The Chinese premier described the eight-point plan King Fahd raised at the 1981 Fez Arab summit as "wise and still applicable."

China appreciates Saudi Arabia's position and efforts towards a solution of the Middle East question, he said.

Li called for continued efforts to push for a settlement, despite difficulties.

After Li gave an account of China's position on the establishment of a new international political and economic order, the Saudi king voiced agreement and support.

Saudi Crown Prince and First Deputy Prime Minister 'Abdallah Bin-'Abd-al-'Aziz al Sau'd and Second Deputy Prime Minister Prince Sultan Bin-'Abd-al'Aziz al Sa'ud were present at the talks.

Also present were China's State Councillor and Foreign Minister Qian Qichen, and Minister of Foreign Economic Relations and Trade Li Langing.

'Fine Relationship' Noted

OW1007161091 Beijing XINHUA in English 1555 GMT 10 Jul 91

[Text] Jeddah, Saudi Arabia, July 10 (XINHUA)— Visiting Chinese Premier Li Peng and King Fahd Bin-'Abd-al-'Aziz al Sa'ud of Saudi Arabia promised here today to push forward Sino-Saudi ties.

During their two-hour formal talks here this afternoon, the first meeting between the two leaders, they had "an in-depth exchange of views" on bilateral relations and international issues, according to a Chinese diplomatic source.

King Fahd, extending a warm welcome, said he expects Li's visit to serve as "a new starting point" for further development of Saudi-Chinese relations.

The fine relationship between the governments and business circles of the two countries forms a good basis for the growth of bilateral ties, he added.

Li, calling Saudi Arabia "an important country in the Middle East and the Gulf region, and an important factor for regional peace and stability," said China attaches great importance to its ties with the country.

He expressed happiness with the rapid development of bilateral relations in all fields since the two countries established diplomatic ties last year.

As the two countries are economically complementary, the Chinese premier said that potentials are vast for the expansion of economic and trade cooperation.

Li hoped that with joint efforts, bilateral ties in all fields will enjoy "constant, sustained and steady advancement."

"I came on the visit for the purpose of furthering the relations between our two countries," he said.

King Fahd said that leaders of the two countries should have frequent contacts to ensure "normal and steady" expansion of that relationship.

Li conveyed an invitation from Chinese President Yang Shangkun to Saudi king to visit China at a convenient time.

The Saudi king accepted the invitation with words of appreciation.

At the end of the talks, King Fahd said "we had a very good discussion," calling today "one of my happiest days."

Qian Meets Al-Mansuri

OW1007151891 Beijing XINHUA in English 1446 GMT 10 Jul 91

[Text] Jeddah, July 10 (XINHUA)—Chinese State Councilor and Foreign Minister Qian Qichen said here today China and Saudi Arabia shared identical views on the Middle East issue.

Qian, who is traveling with Chinese Premier Li Peng on a three-day official visit here, made the remark when meeting with 'Abd-al- Rahman al-Mansuri, undersecretary in charge of political affairs of the Saudi Foreign Ministry.

In the meeting, Al-Mansuri apologized for the absence of Saudi foreign minister, Prince al-Faysal al Sa'ud, who was out of the country and unable to meet Oian.

Al-Mansuri said Saudi Arabia supports the cause of Palestine, hoping for an early settlement of the Middle East issue.

There will be no peace and stability in the region if we can not find a solution to the Middle East problems, he said

The Arab world needs peace for economic development, and so does Saudi Arabia, he said. For that reason, he added, Saudi Arabia was among the first countries to support the convention of the Middle East peace conference.

Qian said although there are difficulties, the international community should continue pushing forward the Middle East peace process.

Qian said the Palestine issue is the key to the final solution of the Middle East problem, saying the national rights of the Palestinian people should be restored.

He pointed out that the Arab-Israeli conflict should be settled on the basis of the U.N. Security Council Resolutions 242 and 338.

Qian said that China had expressed concern over Israel's move to establish Jewish settlements on the occupied territories of Arab countries.

China and Saudi Arabia shared the same position on the Middle East issue, Qian said. "China supports the cause of Palestine," he reiterated.

Al-Mansuri appreciated China's consistent support for the Palestine and Arab cause, as well as for its position on the Middle East issue.

He told Qian that Saudi Arabia supports the U.S. peace proposal on the Middle East and expressed the hope that Washington will exert bigger influence on Israel so as to push forward the Mideast peace process.

On bilateral relations, al-Mansuri said there are no obstacles for Saudi Arabia to develop its relations with China.

Qian said potentials are vast for the expansion of Sino-Saudi co-operation in all fields.

Li Langing Meets Finance Minister

OW1007175791 Beijing XINHUA in English 1746 GMT 10 Jul 91

[Text] Jeddah, Saudi Arabia, July 10 (XINHUA)— Chinese and Saudi Arabian leaders today discussed concrete proposals to further their economic and trade relations.

The talks involved Li Lanqing, Chinese minister of foreign economic relations and trade and Saudi Arabia's minister of finance and national economy, Shaykh Muhammad al-'Ali Aba-al-Khayl.

The ministers reviewed with satisfaction the development of bilateral economic and trade relations since diplomatic ties were forged last year.

According to a Chinese diplomatic source, they agreed that vast potential exists for further expansion of mutual economic and trade cooperation.

Li and Aba-al-Khayl expressed a common desire to further strengthen cooperation in trade, technology and labor sectors. In order to foster the development of such ties, they agreed to the introduction of more of each other's goods together with increased product exhibitions and a greater number of personnel exchanges.

Moreover, both sides expressed interest in setting up joint ventures, the diplomat said. China is studying the question of undertaking such projects in Saudi Arabia. At the same time, the Saudi side is considering the possibility of investing in China.

The two ministers agreed to sign a trade agreement between their countries at the earliest possible date.

Additional Reportage on Li Peng Visit to Egypt

'Text' of Banquet Speech

HK0907102591 Beijing RENMIN RIBAO in Chinese 5 Jul 91 p 6

[Report: "Li Peng Delivers a Speech at a Banquet Given in His Honor by Egyptian President Mubarak"]

[Text] Cairo, 4 Jul—Last night, Premier Li Peng gave a speech at the welcoming banquet given in his honor by President Mubarak. The full text of his speech is as follows:

Your Excellencies, Honorable President and Mrs. Muhammad Husni Mubarak,

Ladies, gentlemen, and friends:

At the kind invitation of His Excellency President Mubarak, I am honored to bring with me the deep friendship of the Chinese people for the Egyptian people during this trip to the Middle East and Gulf area, to visit, in the first place, your esteemed, beautiful, and ancient country, and to receive the warm reception by his excellency the president and the Egyptian people. In addition, tonight his excellency the president has given a grand banquet in my honor and delivered a speech full of warmth. Therefore, please let me express my heartfelt gratitude to his excellency the president and Mrs. Mubarak and to the Egyptian Government and people on behalf of my wife and colleagues and on my own behalf.

Sino-Egyptian friendship has a very long history. Historically speaking, it can be traced back 2,000 years, to ancient times. As far as contemporary history is concerned, Egypt was the first of all Arab and African countries to establish diplomatic relations with our country. An old Chinese saying states: Although the friendship between gentlemen appears indifferent as water, it becomes increasingly cordial as time goes by. During the 35 years since we established diplomatic relations, the traditional friendship between China and Egypt, despite changes in the world, has improved daily and has withstood the trial of a very long period of time; their friendly relations and cooperation have been continually developing; leaders of the two countries have frequently visited each other; spheres of cooperation have continually been opened up; and the modes of cooperation have become more diversified daily. Our relations can be described as a model for relations between states. As President Mubarak said, we are devoted friends who are as good as brothers, and are loyal and sincere comrades in arms.

The Chinese people have always reserved respect for the industrious and brave Egyptian people. The splendid and spectacular pyramids are the crystallization of the wisdom of the Egyptian people, and they are also famous in China. In recent years, under the leadership of His Excellency President Mubarak, the Egyptian Government and people have been vigorously developing the national economy and culture at home and pursuing a foreign policy of peace, neutrality, and nonalignment, and have made unremitting efforts to restore and develop the solidarity and cooperation among the Arab countries and to promote the Middle East peace process. They are playing a more and more important role in international affairs and are thus widely praised by the international community.

Your Excellency the President and wife, and friends:

The Middle East issue has continued for more than 40 years, while the outbreak of the Gulf crisis has added to the urgency of solving it. At present, the Middle East situation is at a critical moment; therefore, it is of paramount importance that the Arab countries coordinate their positions and seek a settlement with one voice. We admire President Mubarak and the Egyptian Government for their vigorous efforts in this respect. The Chinese Government has always supported the Arab and Palestinian people in the just cause of recovering their

lost territories and reassuming their national rights. We maintain that Resolutions 242 and 338 and other relevant resolutions of the UN Security Council are the basis for the just and reasonable settlement of the Middle East issue, and that the occupied Arab territories should be returned and the legitimate national rights of the Palestinian people should be restored. In the meantime, the sovereignty of the state of Israel should be respected and its security should be ensured. We support all kinds of constructive and active moves by all parties in the Middle East for the attainment of lasting peace, including bilateral and multilateral dialogues and negotiations. We support the convening of a prepared international meeting at the right time under the chairmanship of the United Nations and with the participation of the UN Security Council's five permanent members and all relevant parties. We maintain that all parties should guarantee the non-use of force, adopt practical measures to ease the situation, and gradually establish mutual trust. Moreover, all parties should reduce their arms in a balanced and all-around way, and ban the use of or eliminate nuclear, biological, and chemical weapons. With the five principles of peaceful coexistence as the basis, they should establish a new Middle East political and economic order and bring about harmonious coexistence and common development among all states in the Middle East, and between the Arab and Jewish nations. As a friend to all Middle East states, China is willing to vigorously develop friendly relations and cooperation in all spheres with them, and will make its own efforts to promote a just and reasonable resolution of the Middle East issue.

Your Excellency the President and wife, and friends:

Profound changes are taking place in the current international situation. The bipolar setup established after the war no longer exists. The world is developing in a multipolarized way, and the situation is still turbulent and changeable. Peoples of all countries around the world are faced with the heavy task of safeguarding world peace and developing their own countries. It is their general hope that a new international political and economic order will be established. The Chinese Government proposes that the new international order be established on the basis of the five principles of peaceful coexistence, namely mutual respect for sovereignty and territorial integrity, mutual nonaggression, noninterference in each other's internal affairs, equality and mutual benefit, and peaceful coexistence. All states are equal, whether they are big or small, strong or weak, and have the right to participate in negotiations to resolve international affairs. No state should use its size, strength, or wealth to bully another. All states should respect each other's sovereignty and territorial integrity, and no state should invade or annex another's territory using any excuse. International disputes should be appropriately solved through talks. We are opposed to the use of force and to threats regarding the use of force. A new international order based on justice, reasonableness, equality, reciprocity, and exchange at equal value should replace

the current unfair international economic order. This is a great and arduous task. We are willing to make unremitting efforts together with governments and peoples of all countries, including Egypt, to gradually establish a new international political and economic order.

Africa is also faced with grim challenges. Continued economic difficulties and continual regional disputes and conflicts at home make the African continent turbulent. What is heartening, however, is that since Namibia obtained independence, positive changes have taken place in South Africa. Moreover, all parties in Angola have recently signed a peace agreement. In the meantime, African countries are joining forces to strengthen themselves. The African Economic Community treaty signed at the last assembly of heads of state and government of the Organization of African Unity shows that Africa's economic integration and regional economic cooperation have reached a new stage. We highly admire President Mubarak and the Egyptian Government for their outstanding contributions to strengthening the unity and cooperation among all African countries and to promoting prosperity and progress.

Your Excellency the President and wife, and friends:

China is a developing country. After implementing the policies of reform and opening up for more than 10 years, there have been tremendous changes in China's outlook. All aspects of the country have stepped onto the road of healthy development. At present, China is stable politically, its economy is developing, and its society is at peace. The Outline of the 10-Year Program and of the Eighth Five-Year Plan for National Economic and Social Development passed not long ago symbolizes that China's socialist modernization drive will enter a new phase of development. In order to develop our country, we need peace, friendship, and cooperation. We will unswervingly adhere to reform and opening up, continue to pursue the independent foreign policy of peace, and develop friendly relations and cooperation with all countries around the world on the basis of the five principles of peaceful coexistence, and make unremitting efforts to safeguard world peace and promote the common development of all countries.

Both China and Egypt shoulder important responsibilities in international affairs. Under the current complicated and variable international situation, the fact that China and Egypt maintain close links and negotiations and are further strengthening the friendly relations and cooperation that already exist between the two countries not only conforms to the fundamental interests of the two countries and two peoples, but also helps safeguard world peace and stability. Let us make concerted efforts to make new contributions to the promotion of world peace and to the prosperity and progress of human beings.

Finally, I wish Sino-Egyptian friendly relations and cooperation continuous development, the Arab Republic of Egypt prosperity and success, His Excellency President and Mrs. Mubarak good health, and all friends here present good health!

Li-Sidqi Talks

HK0907113391 Beijing RENMIN RIBAO in Chinese 5 Jul 91 p 1

[Dispatch by He Chongyuan (0149 1504 0337) and Lin Jiaoming (2651 4109 2494): "Premier Li Peng Holds Talks With Egyptian Prime Minister Sidqi"]

[Text] Cairo, 4 Jul (RENMIN RIBAO)—Li Peng, premier of the Chinese State Council, and Egyptian Prime Minister Sidqi held talks here this morning on international issues and the development of friendly cooperation between the two countries. Both sides had identical or very similar views on major international issues. Premier Li Peng said that China was willing to share common efforts with Egypt in bringing about peace and stability in the Middle East.

At the talks Prime Minister Sidqi said: During Your Excellency's talks with President Mubarak yesterday, a consensus was reached on wide-ranging issues. Egypt is seeking the realization of fair and long-term peace in the Middle East, favors the opening of an international meeting on Middle East peace, and agrees that the United Nations should play a more positive role in the Middle East issue. Egypt hopes for the realization of security and stability in the Gulf region and takes serious account of China's international role. China is one of the five permanent members of the UN Security Council and its international influence cannot be overlooked. Egypt hopes that China will play an important role in pushing forward the Middle East peace process.

Li Peng said: Yesterday's talks between President Mubarak and myself indicate that China and Egypt share identical or very similar positions on a number of major international issues, including the Middle East issue. The Middle East issue is the longest-lasting regional conflict in the world. The Palestinian problem is the core of the Middle East issue. China and Egypt favor the restoration of the national rights of the Palestinian people, and China agrees with resolving the Arab-Israeli conflict on the basis of UN Resolutions 242 and 338. Israel should withdraw from the occupied Arab territories. In the meantime, Israel's security and sovereignty should also be respected and guaranteed. China favors the important role of the United Nations in promoting the Middle East peace process and supports all dialogues and consultations which are favorable to a fair and long-lasting settlement of the Middle East issue. At the same time, China maintains that convening an international Middle East peace conference sponsored by the United Nations and attended by the Security Council's five permanent members is the way to a final political settlement of the Middle East issue.

Li Peng pointed out: Egypt is a big, important country in the Middle East and Africa. The Egyptian Government has always made tremendous efforts for a political settlement of the Middle East issue. The Chinese Government values these efforts highly.

Li Peng added: Peace and stability in the Middle East is not only a problem involving this region; it also affects peace and security in other regions and even in the entire world. As one of the five permanent members of the Security Council, China is willing to share common efforts with Egypt in realizing peace and stability in the Middle East.

On bilateral relations between China and Egypt, Sidqi said: Sino-Egyptian relations are very good and are developing in various fields. This situation necessitates frequent mutual visits by leaders of the two countries. Premier Li Peng said: In the 35 years since establishment of Sino-Egyptian diplomatic relations, the two countries have weathered the tests of changeable international storms. In addition, China and Egypt are developing countries facing the same task of building their countries. Their foreign policies are also very similar. Therefore the two countries' relations have a solid and reliable foundation. The Chinese Government and people treasure Sino-Egyptian friendship and are willing to make efforts for the prolonged, stable, and overall development of the two countries' relations. This not only complies with the fundamental interests of the two countries' peoples but is also beneficial to world peace and development.

The two prime ministers briefed each other on their countries' domestic situations and economic reforms.

On behalf of the Chinese Government and of himself, Premier Li Peng invited Prime Minister Sidqi and his wife to visit China at their convenience. Prime Minister Sidqi happily accepted this invitation.

Present at the talks from the Chinese side were: Qian Qichen, state councilor and foreign minister; Li Lanqing, minister of foreign economic relations and trade; Yuan Mu, director of the State Council's Research Office; Gao Di and Yang Dezhong, special assistants of the premier; Liu Zhongli, deputy secretary general of the State Council; Liu Shuqing, director of the State Council's Foreign Affairs Office; and Yang Fuchang, deputy minister of the Ministry of Foreign Affairs. Present at the talks from the Egyptian side were: Deputy Prime Minister Butrus Ghali, who is in charge of foreign affairs, international cooperation, and immigration; Mahir Abazah, head of the accompanying delegation; and Foreign Minister 'Amr Musa.

At noon today, Prime Minister Sidqi gave a banquet for Premier Li Peng, his wife, and his entourage on the Pharaoh ship on the Nile.

Egyptian Party Official Meets Li Ruihuan

OW0907222091 Beijing XINHUA in English 1712 GMT 9 Jul 91

[Text] Cairo, July 9 (XINHUA)—General Secretary of Egypt's ruling National Democratic Party Yusuf Wali today praised Chinese policy on Middle East issues.

At a meeting with visiting Chinese senior party official Li Ruihuan and his accompanying delegation, Wali said China is an important country in Asia and in the world, while Egypt is a major country in Africa, and the two have many similarities in history and tradition.

The two countries should make frequent consultations with each other on international issues and bilateral ties, Wali said.

Li Ruihuan said the Chinese Communist Party and Government have attached importance to the friendly relations and cooperation between the two countries and are willing to further develop the party links on the current solid bases.

He added that Chinese Premier Li Peng's recent visit to Egypt is very successful and the joint communique issued by the two sides would exert far-reaching influence on both the stability and development in the Middle East and on bilateral cooperation.

Li Ruihuan, as a member of the Standing Committee of the Political Bureau of the Chinese Communist Party, is leading a party delegation on an official tour of four African countries. He made a stopover at Cairo on Monday and Tuesday before leaving for Senegal, Burkina Faso, Uganda and Burundi.

Qiao Shi Talks With Libyan Congress Group

OW1107115091 Beijing XINHUA in English 1125 GMT 11 Jul 91

[Text] Beijing, July 11 (XINHUA)—Chinese Communist Party (CPC) leader Qiao Shi had a 50-minute conversation here today with a delegation from the Libyan General People's Congress (LGPC), the highest organ of state power in Libya.

The visitors, led by Mahmoud Hamed Al Khafifi, assistant secretary of the LGPC, arrived yesterday at the invitation of the CPC. The LGPC is also the only ruling political organization in Libya.

The visit is aimed at promoting friendly ties with the CPC and exchanging views on major international issues.

Qiao Shi, member of the Standing Committee of the Political Bureau of the Central Committee of the CPC, told the visitors that more efforts should be made to further the existing friendly Sino-Libyan relations. He expressed the conviction that the visit of the delegation will be helpful to this end.

Qiao said that the CPC and the Chinese people are working hard to implement the Eighth Five-Year Plan (1991-1995).

"We may meet difficulties on our way forward, but we have the confidence that our goals can be achieved," he said.

He continued to say that China wants to join hands with the other developing countries in opposing hegemonism and power politics to safeguard world peace.

Explaining China's foreign policy of independence and peace, Qiao said that things are complicated in the world and China makes its own judgement on the merits of the case.

He reaffirmed that China will, on the basis of the five principles of peaceful coexistence, continue to work for promoting the relations of friendship and cooperation with all countries around the world.

Khafifi told Qiao that the LGPC has decided to promote comprehensive development of Libyan-Chinese ties of friendship and cooperation.

He said that Libya appreciates China's efforts to implement the reform and open policy under the condition of sticking to the socialist road.

He also extended congratulations on the successes China has made in the reform and open drive.

Earlier today, Khafifi and his party met with Liac-Hansheng, vice-chairman of the Standing Committee of the Chinese National People's Congress (NPC). They agreed that more efforts should be made to strengthen ties between the LGPC and the NPC.

Kuwaiti Official Welcomes Upcoming Li Peng Visit

OW0807122791 Beijing XINHUA in English 1143 GMT 8 Jul 91

[Text] Kuwait, July 8 (XINHUA)—Kuwait welcomes the forthcoming visit of the emirate by Chinese Premier Li Peng.

Kuwaiti Minister of State for the Cabinet Affairs Dhari 'Abdallah al-'Uthman said this following a cabinet meeting Sunday evening.

The KUWAITI NEWS AGENCY (KUNA) quoted the official as saying that Kuwaiti Prime Minister Sa'ad al-'Abdallah al-Sabah informed the cabinet of the visit due on July 14.

Al-'Uthman added that the Kuwaiti Government welcomed the distinguished Chinese guest and wished him a good stay, in appreciation of the good relations between the two friendly countries.

Kuwait is the last leg of the Chinese premier's Middle East tour. He has already visited Egypt and Jordan and is now in Iran. He will also visit Saudi Arabia and Syria.

Envoy, Kuwalei Parliament Speaker Discuss Ties

OW0807005091 Beijing XINHUA in English 0026 GMT 8 Jul 91

[Text] Kuwait City, July 7 (XINHUA)—Kuwait appreciates China's stand on the Middle East and hopes to strengthen cooperation with it, 'Abd al-'Aziz Fahd al-Miszyd, speaker of the Kuwaiti National Council said here today.

During a meeting with Chinese Ambassador in Kuwait Guan Zihuai, the Kuwaiti parliament leader said that the Kuwaiti people have always cherished sincere and friendly feelings towards the Chinese people.

He said Kuwait has faced an arduous task of rebuilding the country since the ending of the Gulf war and he hoped that China would enhance cooperation and contact with Kuwait in various fields.

Ai-Misayd also briefed the Chinese ambassador on the preparatory work for the second meeting of the National Council, which is expected to focus on such major issues as public security, education, and extinguishing of the oil-well fires.

During the meeting, the two sides compared notes on bilateral relations and the Gulf situation.

The Kuwaiti National Council, a transitional institution towards restoration of the parliamentary system in the Gulf state, held its first meeting in July, 1990. 50 of the 75 council members were elected and the other 25 appointed by the Kuwaiti Amir Shaykh Jabir al-Ahmad al-Sabah.

Commentaries Examine Mideast Peace, Arms Control

'Crux' of Arms Race Viewed

HK1007140991 Beijing RENMIN RIBAO in Chinese 10 Jul 91 p 7

["Commentary" by Zhu Mengkui (2612-1125-7608): "Where Lies Crux of Mideast Arms Race?"]

[Text] In the wake of the Gulf war, it was very difficult to advance the peace process in the Mideast, but a new surge in the arms race has emerged there. Reportedly, since 1990, Israel, Saudi Arabia, Egypt, and Turkey have placed armaments orders with the United States worth over \$30 billion, and the United States has planned to export weapons worth \$18 billion in the 1991 fiscal year. According to a Western research institute, the volume of the arms trade in the Mideast in the next few years will reach \$300 billion. The Mideast has thus become the world's largest market for weapons.

The underlying reason for the new surge of armaments expansion in the Mideast is the regional conflicts, primarily the unsettled Arab-Israeli conflict. According to foreign news agencies, Israel is the only nation in the Mideast that possesses nuclear and satellite launching

capability, and it now possesses several hundred nuclear warheads. Israel also possesses the strongest conventional forces. However, on the issue of Mideast peace, Israel refuses to implement UN Security Council Resolutions 242 and 338, and rejected the principle of "exchanging land for peace." It refuses to withdraw its forces from the occupied territories. Israel's expansionist policy has forced the Arab nations to take countermeasures and build up their defensive strength.

When facing Israel's military superiority and drawing a lesson from the Gulf war, some Gulf nations felt that in order to guarantee their national security, they had to build up military strength sufficient for resisting potential aggression. In particular, they need a considerable quantity of advanced weapons. Therefore, when the oil-producing nations in the Gulf and other Mideast nations that cooperated with the United States in the Gulf war discussed ways to strengthen joint defense and build up their defensive capability, the first step they took was to draw up a substantial weapons purchase plan. At the same time, Israel also placed an additional arms order worth \$1 billion with the United States under the pretext of being exposed to threats in the Gulf war; its purchases included the improved models of F-15 fighters, M-109 cannons, and "Patriot" missiles. According to the agreement reached by the United States and Israel, Israel this year will receive military aid involving advanced weapons worth \$3 billion from the United States. Another major reason for the armament fever in the Mideast is that European nations and America are vying with each other to sell arms to the Mideast. After the Soviet-U.S. military confrontation subsided and the confrontation between the two major military blocs of NATO and the Warsaw Pact disappeared, there was excessive production capacity in the muniitons industry in the West. So, it was urgently necessary to open new markets, and the Mideast was the goal of their arms exportation.

Officials at the Pentagon and American arms manufacturers have become increasingly keen to expand arms sales to the Mideast nations in order to safeguard U.S. strategic interests and the interests of the U.S. munitions industry. On the other hand, European arms manufacturers are unwilling to allow the Mideast arms market to be monopolized by the United States, and they will also try by every conceivable means to promote the sales of arms to the Mideast. According to a report published by the U.S. Congress on 20 June, although President Bush called for controlling arms transactions with the Mideast, the United States, which ranks top among the world's several major arms suppliers, is now still "engaging in the international arms trade that may lead to disastrous warfare." The report revealed that the U.S. Government had planned to sell weapons worth \$26 billion to some Mideast nations. Senator Joseph Biden pointed out: If the U.S. Government continues to say that arms control in the Mideast means that the United States can sell weapons to its allies but other nations cannot sell weapons to their allies, then the European nations will not take the arms control proposal seriously.

In previous years, the Mideast mainly imported weapons from the United States, the Soviet Union, and other big powers. According to statistics, in the last 5 years of the 1980's, the world's total annual volume of arms sales ranged between \$31.8 billion and \$38.8 billion in terms of 1985 constant prices, and weapons sold by the United States, the Soviet Union, France, and Britain accounted for about 90 percent. The Mideast is one of the world's unstable hot spots. Reasonably resolving the issue of arms control in the Mideast is a component part of the efforts to realize peace in that region. China has always positively supported this and has made constant efforts for this. China supports the idea of turning the Mideast into a large nuclear-free zone and a zone free from massive destructive weapons, and holds that Mideast stability should be maintained at a comparatively low armaments level. China has also constantly been calling on nations that export large quantities of weapons to the Mideast to be the first to exercise restraint and assume a responsible attitude in order to prevent weapons of mass destruction from continuing to flow into the Mideast. China always holds that arms control in the Mideast should follow the principle of being fair, reasonable, comprehensive, and balanced, and ail nations should be treated equally without discrimination and exception. All weapons should be taken into account. In particular, weapons of mass destruction, especially nuclear weapons, must be brought under control. Well-organized supervisors and inspection mechanisms should be established. Of course, arms control in the Mideast should not aggravate the existing imbalance and must be fair and reasonable. In addition, arms control cannot be separated from the current Mideast situation. When the peace process is at a standstill, the Arab-Israeli conflict cannot be reasonably solved, and Israel continuously procures large quantities of weapons from the United States, it is hard to actually curb the arms race in the Mideast. In fact, without settling the Arab-Israeli conflict, it will not be possible to thoroughly solve the issue of arms control. Therefore, while steps toward arms control are being taken, positive efforts should also be made to promote the Mideast peace process.

'High Time' To Resolve Issue

OW0907165291 Beijing Central People's Radio Network in Mandarin 0430 GMT 9 Jul 91

[Commentary by station reporter Jiang Jilong: "It Is High Time To Resolve the Middle East Issue"; from the "International News and Current Events" program]

[Text] Since the end of the Gulf War, we have become more and more aware of the [words indistinct] that it is high time to find a just, comprehensive, and permanent solution to the more than 40-year-old Middle East issue through peaceful means. The Middle East issue is the longest-running regional conflict since World War II. Several large-scale wars have been waged in the Middle East since then, including the latest Gulf war, which shocked the whole world and caused serious destruction.

Facts show that the Middle East issue is a global problem. Turmoil and conflict in the Middle East not only threaten peace in the region but also affect world peace and security. Therefore, progress in achieving peace in the Middle East has constantly aroused the concern of the international community. At present, the international community is working to facilitate the progress of peace in the Middle East. The majority of the Arab countries are especially willing to resolve this problem.

How can a just solution be found to the Middle East issue? During his current tour of the Middle East. Premier Li Peng has time and again explained the Chinese Government's position on the issue. He has emphatically pointed out: UN Security Council Resolutions 242 and 338 and other relevant resolutions should be the foundations for a fair and reasonable settlement of the Middle East issue. The occupied Arab territories should be returned, and the Palestinian people's lawful national rights should be restored. Meanwhile, Israel's sovereignty and security should be respected and guaranteed.

Arab unity is an important factor in pushing a solution to the Middle East issue. Only by eliminating differences and strengthening unity can the Arab countries speak with one voice. The Arab League has recently exerted great efforts to revive unity and cooperation among Arab countries. All Arab countries have expressed the desire for reconciliation. The Union of Arab Parliaments recently held a meeting in Libya attended by all Arab states. Of course, it takes time to realize reconciliation among all Middle East countries.

The United Nations should play an important role in settling the Middle East issue. As pointed out in the Sino-Egyptian Joint Communique issued upon Premier Li Peng's visit to Egypt, the ideal way to resolve the Middle East issue is to convene an international conference on peace in the Middle East, sponsored by the United Nations, with the participation of the five permanent members of the Security Council and all other parties concerned, after full preparations and at an appropriate time, in seeking an ultimate settlement to the Middle East issue.

Sub-Saharan Africa

Li Ruihuan Heads CPC Delegation to Africa

OW0707021891 Beijing XINHUA in English 0146 GMT 7 Jul 91

[Text] Beijing, July 7 (XINHUA)—Li Ruihuan, a member of the Standing Committee of the Political Bureau of the Central Committee of the Communist Party of China (CPC), left here today on a friendship visit to Senegal, Burkina-Faso, Uganda and Burundi at the head of a CPC delegation.

Members of the delegation include Hou Zongbin, a CPC Central Committee member and secretary of the CPC Henan Provincial Committee, and Jiang Guanghua, deputy head of the International Liaison Department of the CPC Central Committee.

They were seen off at the airport by Li Ximing, member of the Political Bureau of the CPC Central Committee, Zhu Liang, a CPC Central Committee member and head of the committee's International Liaison Department, Wang Renzhi, a CPC Central Committee member and head of the committee's Propaganda Department.

Also on hand were diplomatic envoys of Senegal, Burkina-Faso, Uganda, Burundi and Egypt to China.

Li Ruihuan, also member of the CPC Central Committee Secretariat, is on the visit at the invitation of the Socialist Party of Senegal, the Popular Front of Burkina-Faso, the National Resistance Movement of Uganda and the Party of Unity and National Progress of Burundi (UPRONA).

During the visit. Li will have talks with leaders of the four countries as well as leaders of their parties and political organizations. They are expected to exchange views on strengthening bilateral relations and other issues of common interest. They will also exchange information and experience in order to promote mutual understanding, friendship and cooperation.

According to an official of the International Liaison Department of the CPC Central Committee, the CPC and the four countries' parties and political organizations enjoy good relations based on the principles of independence, complete equality, mutual respect and non-interference in each other's internal affairs. This has promoted the growth of relations between China and the four countries and that between their peoples, he said.

Arrives in Senegal

OW1107021391 Beijing XINHUA in English 0112 GMT 11 Jul 91

[Text] Dakar, July 10 (XINHUA)—A Chinese Communist Party delegation headed by Li Ruihuan, a member of the Standing Committee of the Political Bureau of the party's Central Committee, arrived here today on a four-day official visit at the invitation of the Senegalese Socialist Party.

In a written speech at the airport, Li, who is also a member of the Secretariat of the party's Central Committee, praised the traditional friendly relations and cooperation between China and Senegal.

The friendship and cooperation between the Chinese Communist Party and the Senegalese Socialist Party have been consolidating and developing since the two parties established relations, giving a spur to the development of ties between the two nations. Li said. He said that the understanding, friendship, mutual-trust and cooperation between the two sides will grow consistently through direct contact as well as exchange of views and experience between the leaders of the two countries.

Senegal is the first leg of the delegation's tour of four African nations, which also includes Burkina Faso. Burundi and Uganda.

The Chinese delegation will meet Senegalese President Abdou Diouf, who is also general secretary of the Socialist Party, and other officials.

The delegation will leave for Burkina Faso on July 14.

Ugandan President Meets Railway Construction Team

OW0907010091 Briting XINIUA in English 0019 GMT 9 Jul 91

[Text] Kampala, July 8 (XINHUA)—Ugandan President Yoweri Museveni today received a Chinese railway construction team at the state house in Entebbe.

The president told the team that both the Ugandan and the Tanzanian Government were interested in building the Kampala-Tanga transport corridor, a new transport route linking land-locked Uganda to Tanzania's northeastern port of Tanga.

The building of the transport corridor includes the extension of the existing Tanga-Arusha Railway to the Tanzanian town of Musoma on the shores of Lake Victoria, from where goods can be shipped by lake steamers to Uganda.

The Ugandan president told the Chinese team that Africa was now working towards closer cooperation through communication and that railways and water transportation were the cheapest means to achieve this cooperation.

Leader of the Chinese team Wang Guoqing told the president that China would send 100 Chinese engineers and technicians to conduct a feasibility study of the line.

The plan for building the corridor was announced by President Yoweri Museveni in Tanzania's capital of Dares Salaam last month during his three-day official visit to the country.

Uganda's import and export goods are currently handled mainly through the Kenya port of Mombasa.

West Europe

Jiang Zemin Meets Portuguese Communist Official

OW0507130591 Beging XINHUA in English 1223 GMT 5 Jul 91

[Text] Beijing, July 5 (XINHUA)—China is confident of the final victory of socialism, but deems the process by which socialism replaces capitalism as a long and historic one, Jiang Zemin, general secretary of the Chinese Communist Party (CPC) Central Committee, said here this evening.

He noted that socialism is a newly-created system and might inevitably encounter complications.

Jiang made these remarks in a meeting with Alvaro Cunhal, his Portuguese counterpart.

According to a Chinese official who attended the meeting, Jiang said that it is important that all communist parties sum up their experiences and integrate the basic principles of Marxism with the practical circumstances of their respective nations.

Jiang said that he was happy to meet Cunhal, for Cunhal is a veteran communist leader. He spoke highly of the Portuguese Communist Party, which sticks to communist goals and Marxism even under difficult conditions.

He said that the CPC treasures its friendly ties with the Portuguese party, adding that he believes the current visit by Cunhal would serve to further enhance the friendly relationship between the two parties.

Briefing Cunhal on China's economic construction and its reform and opening, Jiang stressed that it is the common desire of all the Chinese people to boost their national economy as soon as possible.

The reform in China, he continued, is the self-perfection and development of the socialist system, and its aim is to build socialism with Chinese characteristics.

During the hour-long meeting, Cunhal said that he was satisfied with his current China tour and that under the present complicated international situation, it is very significant that the two communist parties exchange views.

He noted that China has important status in the world, adding that he has seen during his current visit the fast developments China has achieved in the past few years.

Cunhal briefed Jiang on the programs, measures and policies his party has worked out in line with the basic principles of Marxism and the practical circumstances in Portugal.

Earlier today, Cunhal gave a talk entitled "On the Current Status of Capitalism and the Work of the Portuguese Communist Party" at the China Youth Political College.

Cunhal visited Tianjin from July 3 to 4 and is scheduled to leave here for the Democratic People's Republic of Korea tomorrow.

Cunhal Denies Failure of Communism

OW0607122291 Beijing XINHUA in English 1139 GMT 6 Jul 91

[Text] Beijing, July 6 (XINHUA)—The communist parties are still motivating forces of liberation struggles and social progress, although the current international communist movement faces some difficulties, Alvaro Cunhal, the Portuguese Communist Party leader, said here today.

In an interview with XINHUA and Radio Beijing this morning, General Secretary Cunhal said that the present international situation is complicated. "The ratio of international forces has changed and socialism in Eastern Europe has suffered great losses," he said.

This being the case, he continued, "We have to think it over in a sincere way and acquire a new answer to the new question and find a new solution."

Cunhal, 78, who has joined in the communist movement for nearly 60 years, stressed that communism has not failed and that he still deems communism a decisive force in promoting the development of society as a whole.

He noted that the international communist movement is still a reality, adding that it is necessary to strengthen this movement. He expressed the belief that the international communist forces would be surely restored and developed.

Speaking of his current China tour, which began on July 2, Cunhal said that this visit is being conducted at a time when his party and the Communist Party of China, as well as the people of the two countries, are cherishing a friendly relationship.

He stated that through the visit and his exchanges of views with leaders of the Chinese Communist Party, the two parties have strengthened their mutual understanding and friendly relations. This also contributes to the friendship between the Portuguese and Chinese people, he added.

Under the current international situation, he continued, the friendly ties between the people of all nations should be strengthened and mutual support among the laborers, communists and revolutionary forces in the world should also be strengthened.

Cunhal, who first visited China in 1986, said that his current China tour is aimed at promoting the friendly relations between the communist parties, progressive forces and people of different countries.

He said that his current visit, his talks with people and his observation have convinced him that China will firmly stick to the socialist road, which is in line with the expectations and interests of the Chinese people.

During the half-hour interview, Cunhal also mentioned his visit to Tianjin on July 3 and 4. He described the Tianjin Development Zone as a new thing, a new model and a new way of exploration.

He said that the way is correct. He expressed the hope that China would continue its efforts along this road.

Cunhal left Beijing for a visit to the Democratic People's Republic of Korea this afternoon.

Scientific Ties With UK To Be Strengthened

OW1107020891 Beijing XINHUA in English 2348 GMT 10 Jul 91

[Text] London, July 10 (XINHUA)—China and Britain today expressed their willingness to further strengthen cooperation in the field of science and technology.

In a minutes of the Sixth Review of Cooperation in Science and Technology Between China and Britain signed here today, both sides noted with satisfaction that relations had been strengthened by a number of important events since the last review meeting in 1987.

Delegations from the two countries agreed that the program of technical cooperation consultations continued to be worthwhile.

They expressed continued support for the various projects and areas of cooperation under numerous agreements between respective organizations in China and the United Kingdom, particularly in the fields of health, environment and space.

The Chinese delegation led by Dr Wang Shaoqi, deputy director general of the Department of International Cooperation of the State Science and Technology Commission of China, held talks here with the British delegation led by Mr A. J. Davies, head of the Far-East Section of the Research and Technology Policy Division of the Department of Trade and Industry of Britain on July 4-11.

Chen Junsheng Meets Norwegian Fisheries Minister

OW0807104591 Beijing XINHUA in English 0813 GMT 8 Jul 91

[Text] Beijing, July 8 (XINHUA)—Chinese State Councillor Chen Junsheng met with Oddrun Pettersen, minister of fisheries of Norway, and her party here this afternoon.

Liu Zhongyi, Chinese minister of agriculture, was present at the meeting.

NPC's Lei Jiegiong Meets Turkish Visitors

OW0907175991 Beijing XINHUA in English 1352 GMT 9 Jul 91

[Text] Beijing, July 9 (XINHUA)—Lei Jieqiong, vicechairwoman of the Chinese National People's Congress [NPC] Standing Committee, met here today with a delegation of the Board of Culture, Art and Publications of the Turkish Grand National Assembly headed by A. Halim Aras, deputy speaker of the assembly and chairman of the board.

During the meeting, Lei said that the delegation's current visit to China will surely promote the understanding and deepen the friendship between the two parliaments.

Contacts between the two countries have steadily increased since the establishment of their diplomatic relations in 1971, she said, adding that she is very satisfied with this.

Aras said that relations between the two parliaments have experienced a very rapid and smooth development in recent years.

Aras, who is on his third visit to China, said that each time he came to China he could find great changes had taken place in the country.

The meeting was followed by a dinner Lei Jieqiong hosted in honor of the Turkish guests.

Aras and his party arrived here today on a 10-day good-will visit to China.

Meeting With Liu Bing

OW1007081191 Beijing XINHUA in English 0714 GMT 10 Jul 91

[Text] Beijing, July 10 (XINHUA)—Liu Bing, vice-chairman of the Education, Science, Culture and Public Health Committee of the Chinese National People's Congress (NPC), held working talks with A. Halim Aras, deputy speaker of the Turkish Grand National Assembly and chairman of the assembly's Board of Culture, Art and Publications, at the Great Hall of the People here today.

They exchanged views on establishing relations, promoting friendly contacts and exchanges between the NPC committee and the Turkish assembly board.

The visitors arrived here Tuesday for a 10-day good-will visit at the NPC committee's invitation.

XINHUA Delegation Visits Turkey

OW0507203291 Beijing XINHUA in English 1903 GMT 5 Jul 91

[Text] Ankara, July 5 (XINHUA)—Turkish State Minister Imren Aykut said today that the Turkish people cherish special feelings for China, and expressed hope that the friendship between the two countries will be strengthened through their media.

Aykut, the new government spokesperson, made the remarks while meeting with Guo Chaoren, deputy director general of China's XINHUA NEWS AGENCY.

"The Turkish people cherish speical feelings for China and its people," said Aykut. "Such feelings were exemplified when I visited China last April."

The Turkish newspaper "GUNAYDIN" devoted entire pages to "my views about the achievements China has made in recent years," she said. "Many people wrote and asked me to tell them more about China."

Aykut praised the role played by XINHUA and Turkey's semi-official ANATOLIA NEWS AGENCY in promoting the friendship between China and Turkey. She expressed hope that the two agencies will play a more effective role in developing the friendly relations between the two countries.

Aykut's remarks were echoed by Halim Aras, deputy speaker of the Turkish Grand Assembly, who met with Guo and his delegation separately.

Earlier in the day, Guo met with Behic Ekci, director general of ANATOLIA, for talks on cooperation between their agencies.

The XINHUA delegation arrived Thursday on a fiveday visit.

Latin America & Caribbean

Castro Sends Congratulations on CPC Anniversary

HK0507150891 Beijing RENMIN RIBAO in Chinese 2 Jul 91 p 6

[XINHUA report: "Fidel Castro, First Secretary of the Cuban Communist Party Central Committee, Sends Telegram Greeting 70th CPC Founding Anniversary"]

[Text] Beijing, 1 Jul (XINHUA)—Fidel Castro, first secretary of the Central Committee of the Cuban Communist Party, sent a congratulatory telegram to Jiang Zemin, general secretary of the CPC Central Committee on 30 June on the occasion of the 70th founding anniversary of the CPC.

The telegram read: "Both my party and my people maintain that the history of the Chinese people's revolution is a most glorious page in the history of mankind. In this unparalleled great undertaking, the CPC under the leadership of Comrade Mao Zedong played a decisive role."

It continued: "In the short span of 40 years, China was transformed from a backward country of starving population into one of the most vibrant economic powers by the end of this century. All this can be possible only by choosing the socialist road under the leadership of the Communist Party. Today, this accomplishment is of far-reaching strategic importance as it proves the vitality and superiority of the socialist system, and inspires the people of the world who are fighting for this ideal."

The telegram went on: "We look forward to new accomplishments in the struggle to build a new society by the members of the CPC under the leadership of the CPC. We will continue resolutely to strengthen our friendly relations and overall cooperation."

Cuban Vice President Rodriguez Continues Visit

Further on Wang Zhen Meeting

OW0407134991 Beijing XINHUA Domestic Service in Chinese 1459 GMT 2 Jul 91

[By reporters Zhou Cipu (0719 1964 2883) and Lu Jing (4151 0513)]

[Text] Beijing, 2 Jul (XINHUA)—Vice President Wang Zhen met with Carlos Rafael Rodriguez, vice president of the Council of State and the Council of Ministers of Cuba and member of the Cuban Communist Party Central Committee Political Bureau, and his wife at the Great Hall of the People this evening.

Wang Zhen called Rodriguez an old friend. On behalf of the Chinese party, government, and people, he welcomed Rodriguez on his visit to China.

He said: Yesterday we held a meeting to commemorate the 70th anniversary of the founding of the Communist Party of China, at which our General Secretary Comrade Jiang Zemin made a very good report. On that festive day, your leader Comrade Castro sent us a very warm congratulatory telegram. For us this is an inspiration from America.

Wang Zhen said: We are all people of the same generation who firmly believe in Marxism. Cuba is a heroic island country. The Communist Party of China and the Chinese people have always respected the heroic people of Cuba. Both China and Cuba firmly believe in Marxism and also depend on it as a guide for their advance. Both countries unremittingly follow the socialist road.

Rodriguez extended his heartfelt thanks for the warm welcome accorded him by Vice President Wang Zhen. He said that on the occasion of the 70th anniversary of the Communist Party of China, he would like to ask Wang Zhen to convey his congratulations to the Chinese people. He said: "The Communist Party of China has always been the source of our enlightenment. We have always admired the CPC and the Chinese people very much."

Rodriguez said that the great exploits of Mao Zedong and his comrades-in-arms have always been a great inspiration to the Cuban people. The people of Cuba are watching with great attention the developments in China and admire China for integrating Marxism with the concrete practice of the Chinese revolution. Castro's congratulatory telegram represents the wishes of not only the Cuban Communist Party but also the Cuban people.

He said: No matter what difficulties and setbacks Cuba may meet, it will firmly believe in communist ideals, and communism will never fail on this small island.

Before the meeting. Wang Zhen presided over a ceremony at the Central Auditorium of the Great Hall of the People to welcome Rodriguez, his wife, and other members of his party. Accompanied by Wang Zhen, Rodriguez reviewed an honor guard comprised of members of the three services of the Chinese People's Liberation Army.

Chen Muhua, vice chaiman of the Standing Committee of the National People's Congress [NPC], who led an NPC delegation on a friendly visit to Cuba last May, called on Rodriguez and his wife at the Diaoyutai State Guesthouse at noon today and had lunch with them.

Talks With Wu Xuegian

OW0307135691 Beijing XINHUA in English 1327 GMT 3 Jul 91

[Text] Beijing, July 3 (XINHUA)—China holds that through discussions, exchanges of views and efforts, a program for establishing a new international political and economic order based on the five principles of peaceful co-existence could be worked out, Chinese Vice-Premier Wu Xueqian said here today.

Wu made these remarks earlier today during his talks with Carlos Rafael Rodriguez, vice-president of the Council of State and vice-president of the Council of Ministers of Cuba.

According to sources at the Foreign Ministry, the two leaders had an in-depth exchange of views on further promoting the friendly relations of cooperation between China and Cuba and on international issues of common concern.

Wu summarized China's foreign policy as persistence in an independent foreign policy of peace, and said that China is working for a long-term peaceful international environment, which he described as an indispensable external condition for its socialist construction.

This being the case, he continued, China has always held that it should establish and develop relations with all other countries on the basis of the five principles of peaceful co-existence and opposing hegemonism and power politics.

He noted that China regards its unity and cooperation with the Third World nations as the basis of its foreign policy. He added that at present, the South-North contradictions have become more acute: Developed countries have become very rich while a lot of developing nations have become poorer and poorer.

In the international political arena, he said, attention should be paid to certain phenomena: Big countries bully small ones, strong countries bully weak ones, and superpowers try to dominate the world.

"We think these phenomena should be changed," he stressed, adding that China thus stands for the establishment of a new international political and economic order. Rodriguez said that Cuba is also seeking peace. He said that he hoped the five principles of peaceful co-existence become the basis of the new international order.

During the four-hour talks, Wu extended a warm welcome to the Cuban guests and expressed the belief that the current visit of the Cuban leader would serve to further the mutual understanding and strengthen the existing friendly ties of cooperation between the two countries.

He said that Cuba was the first country in Latin America to establish diplomatic ties with China, and China treasures its traditional friendship and friendly cooperation with Cuba.

Through joint efforts carried out in recent years, Wu continued, Sino-Cuban relations in various fields have experienced a gradual restoration and entered a new period of comprehensive growth.

He said that he believed the friendship and cooperation between the two nations would surely have a more solid foundation in the future.

Rodriguez said that he was happy to visit China again and has seen the progress and development China has made in various fields. He stressed his belief that the friendly relations between the two countries and the two peoples would develop more rapidly in the future.

In the evening, Wu hosted a dinner for the Cuban guests.

Meets Jiang Zemin

OW0407131291 Beijing XINHUA in English 1208 GMT 4 Jul 91

[Text] Beijing, July 4 (XINHUA)—Jiang Zemin, general secretary of the Chinese Communist Party (CPC) Central Committee, said here today that China will continue to implement the reform and open policy initiated by Deng Xiaoping and persist in the building of socialism with Chinese characteristics.

Jiang made these remarks this afternoon when meeting with Carlos Rafael Rodriguez, vice-president of the Council of State and vice-president of the Council of Ministers of Cuba.

According to sources at the Foreign Ministry, Jiang said that China has to use its own resources to safeguard its 1.1-billion people's right to survive, adding this is China's contribution to stability in the world.

During the meeting, Jiang extended a warm welcome to the Cuban visitors and briefed them on the CPC's 70 years of efforts in leading the Chinese people to carry out the socialist revolution and construction.

He noted that China has to stick to the leadership of the Communist Party and to practise socialist democracy.

China is a country with a vast territory and a large population, Jiang said. "We have learned from history and have always attached great importance to agriculture because it is the basis of the national economy," he added.

In regards to international relations, Jiang said, China stresses the necessity of applying the five principles of peaceful co-existence to deal with state-to-state ties, and stands for non-interference in each other's internal affairs.

"The most important thing for us is to make every effort to boost our economy quickly in the present relatively peaceful international environment," Jiang said.

Chinese and foreign histories have proved that an economy cannot be boosted without a stable political situation, he added.

Jiang also mentioned Rodriguez's visit to China in 1964 and his meeting with Deng Xiaoping.

"Deng felt happy when he learned about your current visit here," Jiang told Rodriguez. "He entrusted me to convey his best wishes to you," he said.

Rodriguez presented Jiang with greetings from First Secretary Fidel Castro of the Central Committee of the Communist Party of Cuba. In return, Jiang asked Rodriguez to pass on his regards to Castro.

Sees Yang Shangkun

OW0407132191 Beijing XINHUA in English 1209 GMT 4 Jul 91

[Text] Beijing, July 4 (XINHUA)—Chinese President Yang Shangkun met with Carlos Rafael Rodriguez, vice-president of the Council of State and vice-president of the Council of Ministers of Cuba, and his party here this afternoon in the Great Hall of the People in downtown Beijing.

Rodriguez, also a member of the Political Bureau of the Central Committee of the Communist Party of Cuba, arrived here on July 1 for an official visit at the invitation of the Chinese Government.

According to sources from the Foreign Ministry, Yang extended a warm welcome to the Cuban guests and briefed them on the situation in China.

Yang said that the stability and progress China has scored is the direct result of the reform policy initiated 13 years ago. He said that the reform has brought about a lot of benefit to the people.

He said, "With regards to the economy and other fields, we should give full play to the advantages of the socialist system. When the people see material benefits and their living standard rises, we can achieve social stability and fast economic growth."

Yang noted that a few days ago General Secretary Jiang Zemin of the Chinese Communist Party (CPC) Central Committee specified how to boost China's economy when addressing a ceremony marking the 70th anniversary of the founding of the CPC.

"Now, we firmly believe in the importance of integrating the basic principles of Marxism with the practices of the Chinese revolution," Yang said, "and we have advanced the idea of building socialism with Chinese characteristics."

He said that in building socialism the aims are the same, but the concrete measures may differ, as each country has its own specific circumstances. "We firmly believe that the road we have been following is correct," he said.

During the meeting, Rodriguez expressed his hope that the Cuba- China relations would be strengthened. He also welcomed Yang to visit Cuba, for which Yang expressed his thanks.

Rodriguez is also scheduled to tour Shanghai.

Meets Shanghai's Huang Ju

OW0607140191 Beijing XINHUA in English 1301 GMT 6 Jul 91

[Text] Shanghai, July 6 (XINHUA)—Carlos Rafael Rodriguez, vice-president of the Council of State and vicepresident of the Council of Ministers of Cuba, met here this afternoon with Shanghai Mayor Huang Ju.

During the meeting, Huang briefed the guests on the tremendous exchanges made over the past decade since Shanghai adopted the reform and opening policy and the situation of the Pudong New Development Area.

Rodriguez said that he visited Shanghai with great interest, adding that his current visit will surely further Cuba's friendship and cooperation with China.

Rodriguez and his entourage are scheduled to leave here for Beijing on July 7.

Song Ping Meets Uruguayan Party Secretary

OW0807122991 Beijing XINHUA in English 1128 GMT 8 Jul 91

[Text] Beijing, July 8 (XINHUA)—Song Ping, Standing Committee member of the Political Bureau of the Central Committee of the Communist Party of China (CPC), met here today with a delegation of the National Party of Uruguay (NPU) led by J.E.M. Parsons, secretary of the NPU's national directorate.

In a friendly conversation with the guests, Song said that the CPC and the NPU have had contacts for a long time. Particularly, there has been smooth development in the friendly relations of cooperation between the two nations and two parties since China and Uruguay established diplomatic relationship. According to a Chinese official present at the meeting, Song praised the NPU, the ruling party in Uruguay, for its success in uniting with other political parties and in administering the country.

Song said that China hopes for a good peaceful environment in which it will develop its economy and improve the life of the people.

Song also briefed the guests on China's domestic situation and its position on some international issues.

Parsons expressed his agreement to China's position and said that he stood for peaceful settlement of international conflicts and for the five principles of peaceful co-existence.

During the meeting, Parsons conveyed greetings from Uruguayan president and leader of the NPU Luis Alberto Lacalle Herrera to CPC General Secretary Jiang Zemin, saying that Jiang is a respected leader in the world.

Parsons welcomed CPC leaders to visit Uruguay.

On behalf of Jiang, Song asked Parsons to convey best wishes to President Lacalle Herrera.

Liu Huaqiu Meets Venezuelan Foreign Minister

OW0407100691 Beijing XINHUA in English 0801 GMT 4 Jul 91

[Text] Geneva, July 3 (XINHUA)—Venezuelan Foreign Minister Armando Duran said here today that Venezuela and China share identical views on many international issues, and the two nations have maintained a satisfactory cooperation.

Meeting Chinese Vice Foreign Minister Liu Huaqiu, Duran, who is attending a special meeting of the Economic and Social Council (ESC) [ECOSOC] of the United Nations, said that mutual visits and direct contacts between high-ranking leaders are very significant to the continued growth of friendly ties and cooperation between the two countries.

Expressing his belief that the friendly cooperation between the two countries will further expand and deepen, Duran said the Venezuelan Government will strive to promote this friendship.

Sees Brazilian Foreign Minister

OW0507131691 Beijing XINHUA in English 1148 GMT 5 Jul 91

[Text] Geneva, July 5 (XINHUA)—Brazilian Foreign Minister Jose Francisco Rezek said it is necessary for leaders of both China and Brazil to exchange visits and strengthen consultations.

Rezek said he personally has friendly feelings towards China, and looks forward to visiting China within this year.

The statement came today as the foreign minister was meeting with Liu Huaqiu, Chinese vice foreign minister, who is heading a Chinese delegation attending the highranking special meeting of the United Nations Economic and Social Council (ECOSOC).

As two big developing nations, Brazil and China share similar views on major international issues, including equality in their sovereignty, and non-interference in each other's internal affairs, he said.

The two nations are both working hard to promote the development in friendly cooperative relations, in economic and trade relations in particular, he said.

The foreign minister said he is glad to see China is politically stable, economically developing and practising the policy of reform and opening to the outside world.

Argentine Independence Day Marked in Beijing

OW0907185091 Beijing XINHUA in English 1258 GMT 9 Jul 91

[Text] Beijing, July 9 (XINHUA)—Argentine Ambassador to China Carlos Lucas Blanco hosted a reception here today to mark the independence of the Republic of Argentina.

Among those present at the reception were Chinese Minister of Justice Cai Cheng, Vice-Foreign Minister Qi Huaiyuan, and Xu Huizi, deputy chief of General Staff of the Chinese People's Liberation Army.

Also present were foreign diplomatic envoys to China.

Political & Social

Jiang Zemin, Others Congratulate Newspaper

OW0507131491 Shanghai WEN HUI BAO in Chinese 29 Jun 91 p 2

["CHINA DAILY Celebrates the 10th Anniversary of Its Publication in Shanghai; by reporters Zhang Anyou (1728 1344 0645) and Wang Jincai (3769 6855 2088)"— WEN HUI BAO headline]

[Text] A reception was held at the Hilton Hotel in Shanghai's Jingan District yesterday to celebrate the 10th anniversary of the publication of CHINA DAILY, which is our country's only national English daily. Party and state leaders Jiang Zemin, Yang Shangkun, and Li Peng wrote congratulatory inscriptions for the daily.

Vice Mayor Liu Zhenyuan attended the reception and gave a congratulatory speech. Also attending the reception were Li Chuwen, adviser for the municipal government's foreign affairs; Gong Xinhan, deputy director of the propaganda department of the municipal party committee; Yu Pengnian, deputy director of the foreign affairs office of the municipal government; responsible persons from relevant departments of the municipal government's commissions, offices, and bureaus; and personages from press and financial circles.

Three hundred Chinese and foreigners attended the reception as invited guests. They included consuls general of various countries in Shanghai and their wives; responsible persons from both the Chinese and foreign partners of some Chinese-foreign joint ventures, cooperative enterprises, and exclusively foreign-owned enterprises; representatives of foreign banks and offices of foreign companies in Shanghai; and foreign resident journalists in Shanghai.

On behalf of the daily, deputy chief editor Zhu Yinghuang thanked Chinese and foreign personages from all sectors in Shanghai for their concern and support for the daily.

Leaders Attend Ulanhu Exhibit Opening

SK2906113391 Hohhot Inner Mongolia People's Radio Network in Mandarin 1000 GMT 28 Jun 91

[Summary] On 28 June, the atmosphere was warm in front of the gate of Beijing Nationalities Cultural Palace because the exhibition on the glorious life of Comrade Ulanhu, with the exhibition title written by Li Xiannian, chairman of the National Committee of Chinese People's Political Consultative Conference [CPPCC], ceremoniously opened here at 0930.

Bo Yibo and Song Renqiong, vice chairmen of the Central Advisory Commission, cut the ribbon at the opening of the exhibition. Li Desheng and [words indistinct], Standing Committee members of the Central Advisory Commission, attended the opening ceremony. Attending the ceremony and viewing the exhibition were Ding Guangen, alternate member of the Political Bureau

of the CPC Central Committee, and secretary of the Secretariat of the CPC Central Committee; Chen Muhua, vice chairman of the National People's Congress Standing Committee; Zhao Nanqi, member of the Central Military Commission; and Gu Mu, Yang Jingren, Zhao Puchu, and Ismail Amat, vice chairmen of the National CPPCC Committee.

Wang Qun, secretary of the regional party committee, made a speech at the opening ceremony. He said: It is a matter of great significance to the political life of the people of all nationalities throughout the country that the Inner Mongolia Autonomous Regional CPC Committee, the Inner Mongolia Autonomous Regional People's Government, and the State Nationalities Affairs Commission jointly sponsor the exhibition on the glorious life of Comrade Ulanhu on the occasion of ceremoniously marking the 70th anniversary of the founding of the CPC, and while the people of all nationalities across the country are implementing the guidelines of the seventh plenary session of the 13th CPC Central Committee under the cordial concern of the CPC Central Committee and the State Council.

Wang Qun said: Comrade Ulanhu is a long-tested communist fighter, an outstanding leader of the party and the state, an excellent proletarian revolutionary, and a prominent leader of minority nationalities. He dedicated all his life to the thorough liberation, prosperity, and strength of the Chinese nation, including the people of Mongolian nationality. This exhibition is aimed at educating, arousing, and inspiring the people to draw the strength of ceaselessly working hard to make progress and to enhance their belief in the fact that communism is bound to success.

Attending the opening ceremony in spite of the rain were Bu he, Zhang Dinghua, Qian Fenyong, Hao Xiushan, Geriletu, Yang Enbo, Uyunqimuge, Xu Lingren, Uligeng, and [words indistinct]. Also attending were Wang Duo, [words indistinct], responsible persons of state departments concerned, and some 100 persons from various circles. Comrades Nie Rongzhen and (Yang Chengwu) wrote inscriptions for the exhibition. [passage omitted]

Wu Jinghua, vice minister of the State Nationalities Affairs Commission, presided over the opening ceremony.

Chen Yun Said To Urge End to Zhao Ziyang Issue

HK0907105091 Hong Kong CHING PAO in Chinese 10 Jul 91 pp 46-47

[Article by Chen Chieh-hung (7115 3381 1738): "Chen Yun Passes Judgment on Zhao Ziyang"]

[Text] At a regular session of the Political Bureau held in mid-June this year, Song Ping, member of the Standing Committee of the Political Bureau of the CPC Central Committee, relayed the views on party building voiced by Chen Yun, chairman of the Central Advisory Commission, at a recent meeting with some members of the Political Bureau Standing Committee. In particular, he spoke of the need for an organizational judgment regarding Zhao Ziyang.

Emphasis on Zhao Being an Intra-Party Issue

Chen Yun said: I think that the Zhao Ziyang issue is not as complicated as certain people maintain. The enlarged session of the CPC Central Committee's Political Bureau held in June 1989 and the Fourth Plenary Session of the 13th CPC Central Committee made explicit announcements on the Zhao Zivang issue and its nature, namely: Splitting the party and supporting the rebellion; but they also stressed that it was an internal issue of the party. Not a few comrades could not accept the latter as they contended that it was a contradiction of a hostile nature and that he should be expelled from the party and investigated for criminal liability. At that time, both Comrade Deng Xiaoping and I hoped that comrades would remain calm and not engage in brutal attacks; that they should look at the facts, clarify the origins of the incidents, and allow for unforeseen circumstances. Following investigations by the concerned departments of the central authorities over the past two years, the issue has been clarified and a clear conclusion can now be drawn on those issues for which Zhao Ziyang should be held accountable and those for which he should not be held so. I have said that after Zhao Ziyang became premier and general secretary, he developed a highhanded way of dealing with people in the State Council and within the party, concealed faults and glossed over wrongs, did not respect the views of comrades in the State Council and the Political Bureau, feigned compliance with Comrade Xiaoping and the other elderly comrades, and adopted extremely improper means to squeeze out and attack comrades who dared criticize him. Xiannian, Yibo and I spoke a few times to Comrade Xiaoping about these issues of a serious nature. Comrade Xiaoping is very fond of him and hoped that he would take note of them.

Zhao Ziyang worked his way up from the locality to the central authorities, but he ordinarily did not like to read either books or newspapers. It is necessary to have correct theoretical guidance in carrying out economic construction and the party's work; the same is true in order to engage in science and sophisticated production. Western industrial countries also have a set of theories used to guide their work in carrying out the building of a capitalist society. Shooting in the dark and relying on objective imagination and sheer ardor to engage in economic construction is bound to end in failure and will also destroy all the gains achieved since the Third Plenary Session of the 11th CPC Central Committee. This is an extremely serious problem.

Difference Between Zhao and Hu, Rui and Yan Pointed Out

Chen Yun went on: Why is it that the heart of the party and of the people was seriously alienated in the past few years? The reason is the grave corruption within the party which should be acknowledged. I do not agree that

the serious corruption within the party should be simply attributed to the reform and opening up as well as to the corrosion by bourgeois ideas. With regard to the corrosion by bourgeois ideas, why can you not use socialist ideas to counter them? Over the past 40 years, capitalist ideas have not ceased for a day to try to corrupt and infiltrate us. In the past, some of our comrades worked for long periods of time under the capitalist and colonial system of the White areas, but they were not changed by the corruption of capitalist ideas and thinking. The basic issue lies in whether or not the steering wheel for socialist revolution and construction is held firmly, and whether or not the party's guidelines and policies are implemented. Furthermore, it concerns whether or not the head of the leading group believes firmly in Marxism-Leninism or is inclined toward capitalism and toward the betraval and abandonment of the fundamental guidelines. Indeed, Zhao Ziyang set a bad example in this area. which produced a very bad influence.

Chen Yun added: The opposition of some students and people to the corruption and bureaucratism within the party and the government in the spring of 1989 was correct, but it later went in an opposite direction. Here lies the essence of the Zhao Ziyang issue. As the general secretary, he disapproved of the launching of a rectification drive within the party but did not oppose the corruption, bureaucratism and special privileges within the party; instead, he supported the rebellion by some of the students which spread all over the country. This is the crucial point. During the development of the entire incident, the stand of Zhao Ziyang was contrary to that of the great majority of comrades in the party Central Committee. Moreover, he resorted to not a few extremely improper two-faced means which resulted in a delay in the settlement of the issue. This was rare in the leadership of the party of the last 10 years. I agree with the views of the other comrades in the Central Committee that the nature of Zhao Ziyang's error is different from the situation and nature of the issues of Hu Oili. Rui Xinwen, Yan Mingfu and other comrades. It is also fundamentally different from the situation and nature of Comrade Hu Yaobang. I propose that a conclusion on the investigation of Zhao Ziyang be announced at a working session of the party, and that appropriate work be assigned to him based on his expertise and his own personal opinion.

Zhao Ordered To Move

HK1007022691 Hong Kong HONGKONG STANDARD in English 10 July 91 p 1

[By Carry Huang]

[Text] Zhao Ziyang, the ousted Chinese Communist Party chief, was moved from his Beijing residence to a suburban villa shortly after his "public appearance" at a golf course last September.

A source close to Mr Zhao's family said the disgraced general secretary was ordered by the party's top body to

move into a villa in Western Maintain area, a famous resort for senior leaders and venue for major political events.

This decision to "remove" Mr Zhao was understood to have been made by a Politburo meeting shortly after reports of his "public appearance" at a golf course last year.

The Politburo meeting also ruled out any prompt conclusion to the Zhao case, delaying it until the political situation in China stabilised.

It was said senior Chinese leaders regarded his appearance as "negative" to social stability.

Reports last September quoted eyewitnesses as saying the disgraced leader was seen playing golf, his favourite sport, together with his wife Liang Bojing at the International Golf Club in suburban Beijing.

Deng Recommends Revision of Marxism, Policies

HK0807034091 Hong Kong CHING PAO in Chinese No 168, 10 Jul 91, p 33

[Article by Ming Li (2494 7787): "Deng Says That Resolution of Third Plenary Session Can Be Amended"]

[Text] According to sources in Beijing, when talking with some members of the Political Bureau Standing Committee in Beijing and other officials such as Wan Li and Bo Yibo in early June, Deng Xiaoping once again mentioned the need to revise Marxism and to revise principles and policies in light of the changing situation.

One Should Have Courage To Revise Marxism

Deng Xiaoping said: I do not think it is wrong to say that Marxism needs certain revision. Since we acknowledge that Marxism should be developed and that new things should be added to it, then why should we not have the courage to revise Marxism? The theories and foreign policies in capitalist society have been continuously revised and changed in reality. Any ruling parties would do the same. Of course, the nature of capitalism cannot be changed, but this does not mean that nothing changed, because they also encountered difficulties and setbacks in the past decades. The key point is to proceed from the actual conditions of one's own country when formulating principles and policies. Maybe 25 years ago or even 15 years ago, our current principles and policies would not only be unfeasible, but also would not have been imagined by anyone. Even if some people did conceive of such things, they might still lack the courage to put them forth, because they would certainly be frozen under the prevailing atmosphere in those years.

The Line of the Third Plenary Session of the 11th Central Committee Was Itself a Revision

Deng added: Now, some comrades claim that none of the principles, policies, and resolutions adopted by the Third Plenary Session of the 11th CPC Central Committee can be changed or improved and that whoever changes such things is pursuing something different by

defying the central leadership and going against Marxism. In my view, this is simply dogmatism, or at least, a one-sided approach to Marxism. The essence of the Third Plenary Session of the 11th CPC Central Committee is the revision and replenishment of Marxism made by our communists. I know that the abovementioned opinion was directed at the recent proposal on carrying on in-depth reform and broadening the scope of opening up. Twelve years have passed. Can we still mark time in the same place? According to Marxist theory, any ideas of stagnation and any viewpoints of metaphysics are out of keeping with the facts in the development of human society. This is not a point developed by me, but a truth that has been proven by our seniors who examined the history of social development and compared various social systems. We should be open-minded enough to accept truth and not misrepresent the truth. Practice has shown that as society is developing. it is necessary for Communists to revise, add new things to, and continuously improve the theory of Marxism.

On 22 June, when meeting with Clarence Makwetu, president of the Pan-Africanist Congress of Azania, Jiang Zemin said: "Revolution and construction may both encounter difficulties and setbacks. An important point is that we must proceed from the actual conditions of our own country when formulating principles and policies, and should adjust our policies in light of the new conditions when the situation is changing." Some analysts thought that Jiang's remarks might be grounded on Deng's thesis about "revision."

Chen Yun Stressed Need To Act According to the Third Plenary Session Resolution

According to the sources, in late May Chen Yun, chairman of the CPC Central Advisory Commission, said when talking with some members of the Standing Committee of the Central Advisory Commission and some members of the Political Bureau: In my view, it is comparatively easier to revise the theory of Marxism-Leninism. Gorbachev is now beset with difficulties both at home and abroad and is caught in a terrible fix. He needs to beg Western nations for alms. This may be the biggest news of the 1990's. He has paid and will continue to pay a considerable cost, and we can wait and see. Therefore, I have repeatedly stressed that we should remain cool-headed and continuously assess both our positive and negative experiences since the Third Plenary Session of the 11th CPC Central Committee in order to strive for the four modernizations along the course charted by the Third Plenary Session. If we had acted completely in line with the principles, policies, and resolutions adopted by the Third Plenary Session and put them thoroughly into solid practice over the past 10 years or so. I believe things in our society as a whole would have been much better and progressive than they are now, the people would not have made so many complaints, and some major events would not have happened.

Cui Naifu Addresses New Social Work Organization

OW0507131191 Beijing XINHUA in English 1131 GMT 5 Jul 91

[Text] Beijing, July 5 (XINHUA)—After two years of preparation, the China Association for Social Workers was set up in Beijing today as part of the country's effort to boost its social work.

Social work, which exists to help individuals and solve social problems, includes helping society's poor, elderly and handicapped people, and preventing and solving some of the social problems caused by economic difficulties and abnormal lifestyles.

This kind of work is also associated with providing social services and improving the functions of social life and the quality of social welfare, so as to achieve harmony between individuals and society and promote social development and stability.

According to statistics, China has more than 1 million social workers in its civil affairs departments alone.

Cui Naifu, China's minister of civil affairs, said at the founding ceremony of the association that China's social work encompasses trade unions, youth leagues, women's associations and medical departments, in addition to the civil affairs department.

"No connection has been set up between workers of these departments, which can hardly meet the demand of China's developing social work," the minister added.

Cui, who was elected chairman of the association, contends that social work in China not only includes social welfare, social security and other related services, but also the reformation of society.

Paul K.Y. Lee, deputy director of the World International Union of Social Workers (WIUSW), said at the meeting that the establishment of the association demonstrates the professionalism of China's social welfare service. "It has long been a hope of the WIUSW to have China as one of its members," Lee added.

China has already submitted its application for a WIUSW membership.

Book on Zhou Enlai's Contributions Published

OW0307202691 Beijing Central People's Radio Network in Mandarin 1100 GMT 1 Jul 91

[From the "National Hookup" program]

[Text] A book entitled The Changjiang Bureau of the CPC Central Committee in the Early Stage of the War was recently published and distributed in Wuhan. The 750,000-character historical book describes, with rich material and in the spirit of seeking truth from facts, the great contributions by Zhou Enlai, (Qin Bangxun), and other people under the historical condition of that time.

Deng Yingchao and some 40 other comrades who previously worked at the Changjiang Bureau wrote memoirs for the publication of the book.

Reports Continue on Flooding, Countermeasures

Jiang Zemin Inspects Areas

OW1007123891 Beijing XINHUA Domestic Service in Chinese 0752 GMT 10 Jul 91

["Jiang Zemin Inspects Flood-Stricken Areas in Zhejiang, Shanghai, and Jiangsu; by reporter He Ping (0149 1627)"—XINHUA headline]

[Text] Beijing, 10 Jul (XINHUA)—General Secretary Jiang Zemin, who inspected flood-stricken areas in Zhejiang, Shanghai, and Jiangsu not long ago, praised the people in these two provinces and Shanghai for considering the interests of the whole, and for their unity, cooperation, and success in battling floods. He also urged them to continue to subordinate local and immediate interests to overall and long-range interests, and make concerted efforts to win new victories in combating floods.

Since late May, Jiangsu, Zhejiang, and Shanghai were hit hard by incessant rains with a magnitude rarely seen before. Rain storms have substantially increased the water level, causing widespread inundations. The water level in Lake Taihu exceeded the previous peak record registered in 1954, and water from the lake has caused serious flooding and great economic loss in the industrially and agriculturally developed Changjiang Delta areas. To stop the water from rising, the State Flood Control Headquarters decided to open the Taipu Watergate, and Shanghai has blown up the Hongqi and Qianshengdang dams. Zhejiang has also made sacrifices for draining flood waters. Jiangsu is prepared to blow up the Yuhedu Dam so that Lake Taihu can discharge even more water.

After inspecting Anhui's flooded areas on 8 July, General Secretary Jiang Zemin; Tian Jiyun, vice premier and chief commander of the State Flood Control Headquarters; and Wen Jiabao, alternate member of the Secretariat of the CPC Central Committee, rushed to these provinces and municipality to inspect the situation and command their battles against flooding.

The Changjiang Delta areas have been hot under the scorching sun over the past several days. Braving the sweltering heat, and disregarding the muddy and water-logged ground, Jiang Zemin and his party visited the flooded areas, enterprises, institutions, and some house-holds—by car or by boat—to express the concern and regards of the CPC Central Committee, the State Council, and the Central Military Commission to the flood fighters, which included cadres, officers, and men of the People's Liberation Army [PLA] and armed police forces, as well as the masses. Jiang Zemin was greatly impressed by the two provinces and Shanghai for their noble conduct of subordinating their local interests to

the interests of the whole and the dauntless and sacrificial spirit displayed by party members and cadres. He said: All this has fully demonstrated the CPC's fighting power and rallying strength and the superiority of socialism. Jiang Zemin urged the two provinces and Shanghai to continue to defy hardship, fight strenuously, help one another, work in unity, and be ready for battling even greater floods.

In Zhejiang's Jiaxing, Jiang Zemin, soon after stepping down from the airplane, immediately went to visit flood-stricken Jiashan County in the company of Zhejiang Governor Ge Hongsheng. After inspecting the flooding in that county from the No. 6 Bridge of Shitang town, he boarded a boat to visit peasants in Shendao Village in Yangxiujing town. He said to the peasants: Natural disasters cannot be avoided just because people do not want them. Where there is a natural disaster, party members and cadres must act as vanguards and fight it with firm resolve to protect people's lives and property. They must also provide the masses whatever assistance they need to resume production and normal lives.

Early on the morning of 9 July, Jiang Zemin and his party drove to Shanghai's Qingpu County to inspect the discharge of water through the opening of the Oianshengdangdu Dam, which had been dynamited the previous day. Standing at the worksite on one side, Jiang Zemin hailed the PLA soldiers and armed police, who were building a higher enbankment with straw-made sandbags, and said: "Comrades, you have worked hard! You have done something very useful to the state and the people. You have also displayed a good fighting style in wherever you are ordered to fight. The PLA should absolutely obey the leadership, orders, and commands of the party." Then, Jiang Zemin boarded a speedboat to inspect the breach in the dam. The rice paddies, which had green seedlings a few days ago, were all submerged now. Praising Shanghai's fine conduct of subordinating its local interests to the interests of the whole, Jiang Zemin earnestly told Wu Bangguo, secretary of the Shanghai Municipal Party Committee, and Shanghai Mayor Huang Ju that they must properly settle the people in the flood-stricken areas and do everything possible to assist them to resume production and rebuild their homes.

Jiangsu Province accounts for half of the areas in the basin of Lake Taihu. Because of incessant rainstorms, the water in the lake has kept rising, and large tracts of farmland in Suzhou, Wuxi, and Changzhou have been inundated. Some factories have been forced to suspend production, causing heavy economic losses.

On the afternoon of 9 July, Jiang Zemin and his party drove to Jiangsu to inspect its flood situation. In the company of Shen Daren, secretary of the Jiangsu provincial party committee, and Jiangsu Governor Chen Huanyou, Jiang Zemin observed the discharge of water through the Taipu Watergate in Wujiang County, then he visited downtown Suzhou. Wading through filthy water, he walked into the Xumen Power Substation to see its operation of maintaining the

power supply. When he was informed that, after having been marooned by flood waters for nearly two weeks, the substation, which provides nearly half of the city's power supply, still managed to keep its 10 10,000-volt power transmission cables in proper operating order because of the local troops' assistance, Jiang Zemin said emotionally. Our people's soldiers can be found wherever there is a natural disaster. This has once again proved the correctness of the saying: When our army and the people are united as one, who in the world can defeat us? Then, Jiang Zemin waded through water to visit the workers' dormitory of the Suzhou Metallurgy Plant. When he saw that one story of the dormitory was submerged, he said to the workers sympathetically: "You have suffered!" The workers replied: Thank you, general secretary, for visiting us.

After the news of the general secretary's visit spread, people swarmed to see him, and the streets and windows were all crowded with people. Their warm applause showed how the leader of the central authorities has won the hearts of the people in flood-stricken areas.

During the inspection, Jiang Zemin also heard reports by leading comrades of Zhejiang, Shanghai, and Jiangsu on their fight against flood waters. He said: The flood has taught us the lesson that we always have some problems. Some problems are immediate, and some are not so immediate. After the flooding, we must go all out to build more water conservancy projects this winter and next spring to increase our flood control capacity. This is a project having a close bearing on the work of many, many years to come, and we must make it a success.

Jiang Zemin and his party returned to Beijing at noon today. During the inspection, Jiang Zemin was accompanied by Cui Naifu, minister of civil affairs; Yang Zhenhuai, minister of water resources; Yu Yongbo, deputy director of the PLA General Political Department; Liu Jiang, vice minister in charge of the State Planning Commission; and Gu Hui, commander of the Nanjing Military Region.

Qiao Shi Message

OW1007135791 Beijing XINHUA Domestic Service in Chinese 0759 GMT 10 Jul 91

[Text] Beijing, 10 Jul (XINHUA)— Today, Qiao Shi, member of the Standing Committee of the Political Bureau under the CPC Central Committee and secretary of the Central Commission of Political Science and Law; and Ren Jianxin, deputy secretary of the Central Commission of Political Science and Law, sent a cable on behalf of the Central Commission of Political Science and Law to convey their warm regards to all public security cadres, police, officers, and men of the people's armed police who are at the front combating natural disaster.

The cable said: Serious floods have hit some regions of our country, costing lives and heavy property losses to the state and people. Under the leadership of local party committees and governments, you, along with cadres, the masses, and the commanders and fighters of the PLA [People's Liberation Army], are now engaged in the urgent struggle against floods, emergencies, and carrying out flood-relief in disaster areas. You have made a great contribution to safeguarding and protecting the lives of people and properties of the state and people. We want to extend to you our warm and highest regards.

The cable pointed out: People's police always beat the same heartbeat with the masses and undertake the sacred mission of protecting the security of the state and the people. At a time when floods are causing disasters and the possibility of continuous flooding is developing, we hope that you will further urgently mobilize; carry forward the spirit of loving the motherland and the people; be selflessly devoted to defying hardship and danger; press ahead with indomitable will and be ready to sacrifice; wholeheartedly plunge into the struggle of flood-fighting and flood-relief; do your utmost to reduce the loss of property to the state and the people and the loss of life; and render new meritorious services for the people.

The cable also called on leading comrades at all levels of public security organs and the broad mass of public security cadres and policemen, officers, and men of the people's armed police to heighten vigilance; make meticulous organization and arrangement; closely rely on the masses; strengthen security management and the work of mobilizing the masses to do a good security job; closely guard against and crack down on the sabotage of criminal elements in a timely manner; maintain good social order in disaster areas in a down-to-earth manner; and ensure smooth progress of the work of fighting floods, provide emergency relief, and restore production through self-reliance.

Deaths, Costs Reported

OW1107083591 Beijing XINHUA in English 0420 GMT 11 Jul 91

[Text] Beijing, July 11 (XINHUA)—Some 1,270 people have died in serious floods that hit two-thirds of China in the past six months, May and June in particular, a Chinese Government official said here today.

Direct economic losses caused by floods have in four decades amounted to 30.4 billion yuan, said Chen Hong, secretary-general of the China National Committee for the International Decade for Natural Disaster Reduction (IDNDR) and vice-minister of civil affairs, at a press conference.

Floods hit 18 provinces, municipalities and autonomous regions in May and June, said Chen, adding that the situation will become worse in July and August.

"July and August are the main flood season in China. Heavy rain and rainstorms are still continuing in the valleys of the Yangtze and Huaihe Rivers. The second flood has already occurred in the main stream of the Huaihe River and the Chu River, a tributary of the Yangtze River, since the beginning of the flood season," he said.

In general, he added, the disaster situation is growing worse and may cause heavier losses.

According to Chen, worst hit are east China's Anhui and Jiangsu Provinces.

Preliminary statistics up to July 7 show that 33.9 million people in Anhui and over 42 million in Jiangsu have been affected by the floods. Moreover, 267 persons in Anhui and 164 in Jiangsu have died in the floods.

The total economic losses caused by the floods amount to 7 billion yuan renminbi and 9 billion yuan renminbi in Anhui and Jiangsu, respectively, Chen said.

Although governments at all levels in these two provinces have taken effective measures and people in the disaster areas have made great efforts, he said, there are still many difficulties. At least 2 million people are homeless, the flood-besieged villages have no water transportation means, and some victims are suffering from dysentery, malaria and other diseases as a result of water pollution.

On behalf of the Chinese Government, Chen Hong made an urgent appeal to the international community for disaster relief assistance to aid the areas devastated by floods in east China's Anhui and Jiangsu Provinces.

"More than 200 million U.S. dollars and different kinds of materials and supplies for the victims are in urgent need to implement the relief operations," he said.

Flood Control Regulations

OW0907213991 Beijing XINHUA Domestic Service in Chinese 1131 GMT 8 Jul 91

[Flood Control Regulations of the People's Republic of China; from the Local Broadcast News Service]

[Text] Beijing, 8 Jul (XINHUA)

Chapter I. General Principles

Article 1. These regulations are formulated, in accordance with the Water Law of the People's Republic of China, for the purpose of making preparations to control and combat floods to safeguard people's lives and property and to ensure the smooth progress of economic construction.

Article 2. These regulations will apply when activities to control and combat floods are taken within the territory of the People's Republic of China.

Article 3. In flood control work the policy of "giving first place to safety, constantly being on the alert, making prevention the primary purpose, and going all out in rescue work" and the principle of maintaining unity and cooperation and of subordinating partial interests to the overall interest shall be carried out and followed. Article 4. In flood control work the system of placing the responsibility under the administrative heads of governments at all levels shall be implemented so that responsibilities are shared by departments at different levels under a unified command. Various relevant departments shall institute the work post responsibility system for flood control work.

Article 5. All units and individuals are obligated to participate in controlling and combating floods. The Chinese People's Liberation Army and the Armed Police are important forces in controlling and combating floods.

Chapter II. Flood Control Organization

Article 6. The State Flood Control Headquarters established by the State Council is responsible for organizing and guiding flood control and flood fighting work throughout the country. Work offices of the headquarters are established in departments in charge of water administration under the State Council.

In the Chang Jiang and Huang He basins, flood control command centers staffed by responsible persons from relevant provincial, autonomous regional, and municipal governments and responsible persons of the administrative organs of the basins may be set up to direct flood control and flood fighting work in areas under their judisdiction. The work offices of these agencies shall be established within the administrative organs of the basins. Major flood control and flood fighting projects involving the Chang Jiang and Huang He must obtain the approval of the State Flood Control Headquarters before before they are undertaken. Agencies in charge of the Huai He, Hai He, Zhu Jiang, Songhua Jiang, Liao He, and Tai Hu basins under the jurisdiction of the State Council's administrationin charge of water shall establish flood control offices to coordinate routine flood control work in their respective basins.

Article 7. Local people's governments at and above the county level entrusted with flood control responsibility shall set up flood control headquarters to be composed of the responsible persons of relevant departments, local military units, and people's armed forces and under the command of the heads of governments at various levels. The flood control headquarters of people's governments at all levels shall carry out flood control orders from higher levels, draw up flood control and flood combating measures, and assume unified command over flood control and flood combating work in their respective areas under the leadership of a people's government flood control headquarters of a higher level and a people's government of the same level.

The work offices of the flood control headquarters of people's governments at all levels shall be established in departments in charge of water administration of the same level; the work offices of the flood control headquarters of urban areas may also be established in departments in charge of urban construction. The work offices shall be responsible for the day-to-day flood control work in areas under their jurisdiction.

Article 8. Petroleum, power, posts and telecommunications, railway, highway departments, factories, mines, commercial enterprises, materials supply departments, and other departments and units entrusted with flood control duty shall set up flood control agencies during the high-water season. Under the unified leadership of the flood control headquarters of people's governments having judisdiction over them, these agencies shall be responsible for taking care of the flood control work in their respective trades and units.

Article 9. Agencies in charge of river channels, units in charge of water conservation and hydroelectric power projects, and units undertaking construction projects along river banks must strengthen management and maintenance of water projects and facilities under their jurisdiction, ensure their normal and safe operations, and organize and participate in flood control work.

Article 10. Local people's governments responsible for flood control should organize flood control contingents with the participation of the masses and with the militia as their backbone, instruct relevant departments to compile a register for the names of flood control contingents, and define their respective tasks and duties.

River administrative organs and other units in charge of administration of flood control projects may combine the tasks of administration in normal times to organize their respective flood control emergency squads as the backbone of task forces to be rushed to deal with an emergency.

Chapter III. Preparations for Flood Control

Article 11. The people's governments at and above the county level responsible for flood control should draw up plans for flood control (including measures for dealing with especially disastrous floods) on the basis of the comprehensive program for development of river valleys as well as the flood control criteria stipulated by the state and in the light of the actual conditions of the flood control projects.

The flood control plans for Chang Jiang, Huang He, Huai He, and Hai He will be drawn up by the State Flood Control Headquarters and implemented after approval by the State Council. The flood control plans for other rivers that flow through more than one province, autonomous region, and municipality will be drawn up by the relevant provincial, autonomous regional, and municipal people's governments and implemented after they have been examined and approved by organs that have jurisdiction over river valleys, submitted by the provincial, autonomous regional, and municipal people's governments to the State Council or its authorized organ, and approved by it.

The city people's government responsible for controlling and fighting floods should draw up flood control plans for its own city on the basis of the comprehensive program for development of river valleys and the flood control plans for rivers and implement them after having submitted them to the people's government of the higher level or its authorized organ and obtained its approval.

Relevant local people's governments must carry out the flood control plans after they are approved.

Article 12. The enterprises responsible for controlling and fighting floods should provide their own measures for controlling and fighting floods on the basis of the flood control plans for the river valley or area in which they are located and submit them to the responsible department of the higher level for approval after they have obtained approval from the local administrative department.

Article 13. Administrative departments responsible for the projects of reservoirs, hydroelectric power stations, and dikes and dams across rivers should draw up plans for management and control during the flood season on the basis of the project program and design, flood control plans, and the actual condition of the project and under the prerequisite of promoting what is beneficial to meet the needs of flood control and guaranteeing security; submit them to the responsible department of the higher level for examination and approval; and then submit them to the flood control headquarters of people's government that has jurisdiction for the record and accept its supervision. The plans for management and control of the flood control storage capacity of the hydroelectric power stations which are determined by the State Flood Control Headquarters to have an important bearing on flood control during the flood season must be approved by the flood control headquarters of people's government that has jurisdiction after they have been examined and approved by the responsible departments of the higher level.

The administrative departments of reservoirs, hydroelectric power stations, and dikes and dams across rivers shall be responsible for carrying out the plans for management and control during the flood season after they are approved. The amount of water discharged by reservoirs located in the upper reaches of the rivers responsible for reducing the threat of runoff from melting snow during the melting period must be approved and supervised by the flood control headquarters of people's government that has jurisdiction.

Article 14. Flood control headquarters at all levels should organize inspection of all flood prevention facilities before the flood season and, if they uncover any problems that might affect the security of flood prevention, instruct responsible units to deal with them within a prescribed time. By no means should the work of controlling and fighting floods be delayed.

After all the relevant departments and units have inspected the flood control projects and facilities under their jurisdiction in accordance with the unified plan drawn up by the flood control headquarters prior to the flood season, they must submit a report on the problems that may affect the security of flood control, together with measures for dealing with them, to the flood control headquarters with jurisdiction and the responsible

departments of the higher level and then deal with such problems according to the requirements of the flood control headquarters.

Article 15. The work to dredge river courses and renovate or demolish bridges, diversion canals, wharves, and other facilities built across rivers that seriously obstruct or block the flow of water must be carried out in accordance with the stipulations provided by the "PRC Regulations on Management and Control of River Courses."

Article 16. The provincial people's governments whose jurisdiction covers reservoirs and areas for storing flood waters should organize relevant departments and cities and counties to draw up plans for security and construction in the reservoirs and areas for storing flood waters under their jurisdiction in accordance with the relevant regulations of the State Council and implement them.

People's governments at all levels must inspect the shelter for flood victims, evacuation roads, communications, prediction, warning, and other security facilities before the flood season and, if they find any problems that may affect security, deal with them promptly.

Article 17. Relevant departments of areas where landslides or mud-rock flows are liable to occur should designate monitors to conduct monitoring and prevent disasters promptly. Flood control headquarters of local people's governments should organize relevant units to conduct security checks and inspections before the rainy season sets in and evacuate the masses promptly from areas where signs of danger are ominous.

Local relevant departments of areas where storms and high tides tend to occur should strengthen security checks and inspection of houses, reservoirs, sea walls, dikes, embankments, dams, high tension wires, and other facilities and, if they find any problems that might affect security, deal with them promptly.

Article 18. When water-related disputes, arising from flood control and flood fighting, occur between regions, the superior people's government of the involved regions or the competent department entrusted by the superior people's government will handle the dispute.

When handling water-related disputes arising from flood control and flood-fighting, the superior people's government referred to above or the competent department has the right to adopt temporary emergency handling measures. Parties concerned should act accordingly and implement the measures.

Article 19. Local people's governments entrusted with flood control tasks should build and improve flood control facilities, for example dikes, dams, flood-storage areas, and flood control communications and early warning systems in the zone.

Article 20. All levels of flood control headquarters should store a certain quantity of materials for flood control and for dealing with emergencies. An appropriate amount of storage charges should be paid to commerce, supply and marketing, and materials departments if they are entrusted with storing those materials on behalf of the flood control headquarters. Units and the masses threatened by floods should retain a certain quantity of materials in reserve for flood control and for emergencies.

Competent planning departments should arrange for supply of major materials needed for flood control and emergencies in its annual plan.

Article 21. Flood control headquarters at all levels of people's government should brief relevant units and local army units on their flood control plans and organize experience-exchange meetings on flood control and on dealing with emergencies. During the flood season, relevant departments should prepare timely reports on the flood situation.

Chapter IV. Flood Control and Dealing With Emergencies

Article 22. Headquarters of provincial-level people's governments may set, according to regular flooding patterns in their regions, dates for the beginning and end of the flood season. When water levels of rivers, lakes, and dams reach the danger point, or when flood control projects are in great danger, or in emergencies, local people's governments at the county level or above may declare a state of emergency and report the situation to the flood control headquarters of their superior people's government.

Article 23. During the flood control period, it is necessary to have responsible persons preside over work at various levels in the flood control headquarters. Relevant responsible persons should stand fast at their posts, promptly grasp the flood situation, and make adjustments according to the flood control plan and to the flood season adjustment and application plan.

Article 24. During the flood season, hydrologic stations and rainfall stations under water conservation, electricity, weather, maritime, agriculture, and forestry departments should provide prompt and accurate on-the-hour hydrological information to all levels of flood control headquarters; weather departments should provide prompt relevant weather forecasts and on-the-hour weather information to all levels of flood control headquarters; hydrological departments should provide prompt relevant hydrological forecasts to all levels of flood control headquarters; and maritime departments should report promptly to flood control headquarters in coastal areas on storm and tide forecasts.

Article 25. During the flood season and when implementing the flood season adjustment and application plan, river courses, dams, sluice gates, water transport facilities, and other water-related project management units should subordinate themselves to the unified command or supervision of those flood control headquarters of people's governments which are entrusted with management power.

During the flood season, dams which are primarily designed for power generation should be placed under the unified command of flood control headquarters of people's governments which are entrusted with management power; they will control and regulate water levels of dams and flood water.

Article 26. During the flood season, river courses, dams, hydropower stations, sluice gates, and other water project management units should check water projects according to regulations. If a dangerous situation is discovered, they must immediately make repairs and take remedial measures and promptly report the situation to flood control headquarters and superior competent departments. Units and individuals should immediately report to flood control headquarters and water project management units if they uncover any dangerous situations.

Article 27. During the flood season, highway, railways, water transport, and civil aviation departments should promptly transport flood control materials and rush personnel to deal with emergencies. Electricity departments should ensure power supplies for use in flood control.

Article 28. During the flood season, electricity and communications facilities should serve flood control requirements. Posts and telecommunications departments should ensure the timely and accurate transmission of flood situation and flood control orders. Television, radio, highway, railways, water transport, civil aviation, public security, forestry, and petroleum departments should give priority to serving flood fighting by utilizing their own communications equipment.

Television, radio, and press units should promptly release flood control information in accordance with the information on the flood situation provided by the flood control headquarters of the people's government.

Article 29. During emergency periods of flood control, the flood control headquarters of local people's governments, directed by the responsible persons of people's governments, shall organize and mobilize various local relevant units and individuals to battle floods and launch rescue operations. All units and individuals must follow the commands and undertake the tasks of fighting floods and launching rescue operations assigned by the flood control headquarters of people's governments.

Article 30. During emergency periods of flood control, public security departments shall strengthen the management of public order and security measures at the behest of the flood control headquarters of people's governments. If necessary, relevant departments must impose land and sea traffic controls in accordance with the law.

Article 31. To meet the needs of fighting floods and launching rescue operations during emergency periods of flood control, flood control headquarters have the right to transfer materials, equipment, transport vehicles, and manpower under their jurisdiction, provided that these resources are returned or proper restitution is made without subsequent delay. No unit or individual may

hinder efforts to expropriate land, fell trees, or clear obstacles standing in the way of flood water as necessitated by rescue operations.

Relevant procedures shall be executed in accordance with the law afterward with the departments concerned regarding the expropriation of land and felling of trees as referred to in the above paragraph.

Article 32. When the water levels or flows of rivers reach the levels or amounts set for flood diversion or discharge, the flood control headquarters of people's governments with jurisdiction have the right to adopt measures to divert or release flood water in accordance with approved plans for flood diversion and discharge. If adoption of the above-mentioned measures endangers adjacent areas, advance notice shall be served on relevant areas with approval from the flood control headquarters of higher competent authorities.

When extraordinary circumstances call for some sacrifices to be made to protect state-designated key areas and ensure overall safety, the flood control headquarters of local governments may adopt emergency measures after reporting to and obtaining approval from the flood control headquarters of higher competent people's governments.

No unit or individual may obstruct implementation of the above-mentioned measures. If obstruction or stalling occurs, competent people's governments have the right to enforce them compulsorily.

Article 33. When flood water threatens the people's safety, local people's governments shall promptly evacuate the people to safe areas and arrange for their livelihood.

Article 34. Areas located on the lower reaches of a river may not erect barriers or narrow the passage for flood water in the river, when flood water is released in accordance with the natural flow of water, the designated standards of projects for preventing flood and draining waterlogged areas, or approved operational plans; areas located on the upper reaches may not increase the amount of discharge without authorization.

Without the approval of competent people's governments or the departments empowered by them, no unit or individual may alter the natural control points for river flows.

Chapter V. Rehabilitation

Article 35. The materials and equipment, commerce, supply and marketing, agriculture, highways, railways, navigation, and civil aviation departments in areas afflicted by floods should do a good job in supplying and transporting emergency relief materials; the civil affairs, health, and education departments should attend to relief work, for example taking care of the daily needs of disaster victims, providing medical treatment and preventing epidemic diseases, reopening schools, and rehabilitating production; and water conservation, electric power, posts and telecommunications, and highway

departments should repair damage done to construction works under the jurisdiction of each department.

Article 36. Flood control headquarters of local people's governments at different levels should follow the requirements for reporting flood damage statistics, approved by the State Statistical Bureau, in verifying and listing flood damage under their jurisdiction and reporting the damage to competent authorities at the next higher level and the statistical department at the corresponding level. Units and individuals concerned should not falsify, conceal, or tamper with such information.

Article 37. In the aftermath of a disastrous flood, flood control headquarters of people's governments at various levels should actively organize and help the masses in disaster areas to rehabilitate and develop production. Expenses needed to repair damaged construction works should be given priority in the fiscal construction plan of the relevant departments.

Chapter VI. Flood Control Expenditures

Article 38. Expenditures for flood prevention appropriated by financial departments should be incorporated into central and local budgets at different levels.

During the flood season, units and individuals charged with flood prevention should be provided with a certain amount of labor service and other expenses for controlling flooding and dealing with emergencies. Detailed rules should be worked out by provincial, autonomous regional, and municipal people's governments.

Article 39. Funds for preventing and controlling flooding on an extraordinary scale should be managed according to relevant regulations.

Article 40. An insurance system should be incrementally introduced in areas storing and retaining flood water. Details shall be worked out separately.

Chapter VII. Rewards and Penalties

Article 41. Units and individuals who have performed one of the following deeds should be commended or rewarded by people's governments at and above the county level:

- 1. Those who have performed an exceptional job in resisting disaster and dealing with emergencies through well-organized work, competent leadership, effective fortification, and outstanding courage.
- Those who have persisted in patrolling and checking dikes, promptly reporting hazardous sections, and dealing with emergency situations valiantly.
- Those who have made prominent contributions in organizing the masses to protect the property of the state and people at critical moments.
- Those whose suggestions for flood control and management have yielded fruitful results.

- 5. Those whose accurate and prompt forecast and measure of weather, precipitation, and water levels; timely dissemination of such information; and efforts to overcome difficulties and rush to measure flood water have helped minimize damage from flooding on an extraordinary scale.
- Those who have promptly delivered or taken good care of flood prevention materials and equipment, or used flood prevention funds sparingly in fulfilling the task with outstanding results.
- 7. Those who have performed other distinguished services.
- Article 42. In any of the following circumstances, the unit where one is posted or its higher competent authority shall take disciplinary action according to the circumstances and harmful effects arising therefrom; where punitive action to maintain public order is merited, punishment shall be meted out in accordance with the "Regulations of the People's Republic of China on Punishment To Maintain Public Order"; where the act in question constitutes a crime, criminal responsibility shall be determined pursuant to laws:
- 1. Refusing to implement approved flood prevention plans, or the flood prevention programs or directives for flood prevention and rescue operations issued by flood prevention headquarters having jurisdiction.
- Being negligent of duty or fleeing during critical moments while launching flood prevention and rescue operations.
- Illegally demolishing or breaching a dike or opening a sluice gate.
- Misappropriating, pilfering, or embezzling funds or materials allocated for flood prevention or rescue operations.
- Preventing personnel from flood prevention headquarters from performing their duties in accordance with the law;
- 6. Usurping, damaging, or destroying water conservation projects, such as dikes, revetments, and sluice embankments; flood prevention facilities; hydrological survey and monitoring installations; meteorological forecasting and reporting facilities; installations for geological surveys of river banks; and communications and lighting facilities.
- Other acts of jeopardizing flood prevention and rescue operations.
- Article 43. Acts jeopardizing the safe management of rivers, reservoirs, and large dams shall be handled in accordance with the relevant provisions in the "Regulations of the People's Republic of China on River Management" and "Regulations on the Safety Management of Reservoirs and Large Dams."
- Article 44. Making false or fraudulent reports on flooding and waterlogging or falsifying or altering statistics on flooding and waterlogging shall be dealt with in accordance with relevant provisions in the "Law of the

People's Republic of China on Statistics" and its detailed rules for implementation.

Article 45. If the party concerned is dissatisfied with a disciplinary action, he may apply for review by the higher authority of the organ making the decision within 15 days of receiving the notice on disciplinary action; if he is dissatisfied with the decision taken by the review, he may file a lawsuit with a people's court within 15 days of receiving the notice thereon. The party concerned may also file a lawsuit directly with a people's court within 15 days of receiving the notice on disciplinary action.

If the party concerned does not apply for a review or file lawsuit with a people's court within the prescribed time limit, and also fails to comply with the decision on disciplinary action, the organ making the decision on disciplinary action shall apply to a people's court for compulsory enforcement; such an organ may enforce the decision compulsorily during the flood season; complaints against punishment meted out to maintain public order shall be handled in accordance with the provisions in the "Regulations of the People's Republic of China on Punishment To Maintain Public Order."

When a review or litigation is under way, the party concerned shall not stop complying with the decision on disciplinary action.

Chapter VIII. Supplementary Provisions

Article 46. Provincial, autonomous regional, and municipal people's governments may formulate detailed rules for implementation in accordance with the provisions in these regulations and local practical conditions.

Article 47. Water administration departments under the State Council shall be responsible for interpreting these regulations.

Article 48. These regulations shall take effect on the date of their promulgation.

RENMIN RIBAO Commentator

HK1007114991 Beijing RENMIN RIBAO in Chinese 10 Jul 91 p 1

[Commentator's article: "Unite To Win Victory in Fighting Floods"]

[Text] This year, the flood season is coming earlier than usual and the flood situation is much more serious in the long term. According to initial statistics up to the end of June, 18 provinces and regions in our country were affected by floods.

The floods are effectively in order. Under the leadership of the party and government, forces in all quarters in the affected areas have rapidly organized and taken action to fight the torrential currents and vicious waves. They are united to win victory in the struggle against floods. Central leaders Jiang Zemin and Li Peng were deeply concerned about the flood control situation all the time

and personally inspected the flood-affected areas. They arranged work there, expressed sympathy and solicitude for cadres and the masses there, and praised the troops and civilians who demonstrated their revolutionary spirit in the struggle against floods. The party central leadership and the State Council and the party and government organs at various levels in the flood-affected areas are firmly leading the people to combat and control the floods and to tackle the disasters. Here, we express our cordial greetings and great respect for the vast number of cadres, common people, and commanders and soldiers of the People's Liberation Army [PLA] and the Armed Police Force who are bravely fighting in the flood-control forefront!

The greater the difficulties and the more critical conditions we face, the better we should give play to the advantages of our socialist system and to the leading and guiding role of party organizations as the core of the people and the vanguard and exemplary role of the Communist Party members. This year, after floods occurred, all localities showed the socialist spirit in their cooperation. The flood-affected localities received assistance from other localities and various departments. Many localities, departments, and comrades were willing to sacrifice their own interests for the sake of the overall interests or other people's interests. They always willingly obeyed orders without uttering a word of complaint. Party members, cadres, and PLA troops could always be found working in the most difficult and most dangerous places. At the critical junctures when the people's lives and property safety were threatened by floods, they took the lead in dashing to the dangerous places without fearing difficulties and hardships and stood up to the stern tests. Many moving stories could be heard among them. Through the struggle against floods, the party and the government have kept closer ties with the masses, and the unity between troops and civilians has also been strengthened. At present, the people in the flood-affected areas are calm and confident. Their morale in the struggle is always high. They have once again deeply felt that the Communist Party and the socialist system are better than anything else.

Ours is a large country with a vast territory. It is not uncommon that various natural disasters may occur here or there every year. At present, floods are still coming and growing more serious. The peaks of floods have yet to come some time between July and August. It is now necessary to implement the flood-control regulations laid down recently by the State Council, and carry out the principle of "giving top priority to safety, never relaxing vigilance, laying stress on prevention, and going all out to deal with emergencies." In all localities, both affected and unaffected by floods, people must raise their vigilance and always stand in combat readiness. They should make full mental, organizational, and material preparations in order to overcome more serious flood-caused disasters occurring at any time and in any place. Flood control is a glorious political task, so leading comrades at all levels must bear in mind the principle of

placing the people's interests above anything else and give top priority to actually protecting the people's lives and safety. They must properly arrange the people's livelihood in affected areas, pay attention to preventing and curing diseases, and maintain social stability. They should encourage the masses to pick up their courage to resume production and make up for the losses. In short, they must deliver the care of the party and the government to every household and decrease the losses caused by the disasters to the minimum.

Comrade Jiang Zemin recently pointed out in Anhui when arranging the flood-control work there: As long as we all work with one heart and one mind and make concerted efforts under the party's leadership, we will certainly be able to overcome our current difficulties. This is our historical experience and is also a fact in current reality. As we have such great people, Army, party, and government, we will certainly be able to create miracles in human society in resisting and surmounting natural disasters.

Communist Party members, Communist Youth League members, leading cadre comrades at all levels in flood-affected areas, continue to bravely stand in the forefront of the antiflood struggle!

RENMIN RIBAO Reviews Mao's Works

HK0907024191 Beijing RENMIN RIBAO in Chinese 1 Jul 91 p 5

[Article by Feng Xianzhi (6646 0341 4249): "Everlasting Splendor, Truth: On Publication of Second Edition of Volumes 1-4 of Selected Works of Mao Zedong"]

[Text] On the 70th anniversary of the CPC's founding, the CPC Central Committee Party Literature Compilation Commission published the second edition of the Selected Works of Mao Zedong, Volumes 1-4. This was a decision of far-reaching historical significance made by the CPC central leadership.

I.

The first edition of the first four volumes of Selected Works of Mao Zedong were separately published in the early 1950's and the early 1960's, and some 30 or 40 years have passed since then. The four volumes of Selected Works include Mao Zedong's main works in the period of the New Democratic Revolution. These works were of profound and great significance in promoting China's social historical progress and winning the victory of China's democratic revolution and had deep and extensive influence among the Chinese people. This was unparalleled among the works of any other historical figure in China's modern and contemporary history. After the founding of the PRC, the publication of the Selected Works aroused great upsurges of studying Mao Zedong's works among the people throughout the country, and Mao Zedong Thought thus produced more extensive influence.

Then, why was it necessary to publish the second edition of Selected Works of Mao Zedong?

Publishing the second edition was Mao Zedong's unfulfilled wish. After the publication of the first edition of the Selected Works, it was found that some texts and explanatory notes needed to be revised. Such revisions could not be made piecemeal, so the publication of a revised edition became necessary. However, the "Cultural Revolution" interrupted this plan. After the end of the "Cultural Revolution," in 1986, the CPC Central Committee Party Literature Compilation Commission published a new edition of Selecting Readings of Works by Mao Zedong, which included two volumes of Mao Zedong's most important works between 1921 and 1965. In this period, other special collections of Mao Zedong's works were also published. However, the first four volumes of Selected Works of Mao Zedong were not printed for more than 10 years after the end of the "Cultural Revolution." Today, a new round of enthusiasm for studying Mao Zedong Thought is on the rise among cadres and the masses, including young students. The publication of the second edition of Selected Works of Mao Zedong" thus became a very urgent need.

In the course of revising and compiling the Selected Works, the CPC Central Committee Party Literature Compilation Commission followed Mao Zedong's wishes and maintained all the contents in the first edition. The only additional item in the new edition is the essay "Combat Blind Book Worship."

"Combat Blind Book Worship" was an extremely important historical document written by Mao Zedong in May 1930 for combating dogmatism. The article formed the prototype of the three basic aspects of Mao Zedong Thought's "living soul," namely, seeking truth from facts, the mass line, independence, and self-reliance. Its scientific value has never been diminished or lost due to the lapse of time; on the contrary, its importance has just been shown more and more evidently. Mao Zedong liked this essay very much. However, it could not be included in the first edition of the Selected Works because it could not be found for a long time. In 1964, after being revised by Mao Zedong, the essay was openly published in the first edition of Selected Readings of Works by Mao Zedong. If Mao Zedong was still alive, he would certainly agree to include the essay in the second edition of the Selected Works.

The Compilation Commission was very prudent in revising the texts of the Selected Works. As the author has passed away, no one has the right to revise the articles of which he has already made the final examination and revision. So the second edition only corrects some historical facts and misprinted characters.

In the course of revision, the writing dates and publishing dates of all articles were examined and verified.

Some changes were made in the original explanatory notes on the titles or backgrounds of the articles and documents included in the *Selected Works*. The style of such explanatory notes basically remains the same as the original and no major changes were made. The main

changes were the incorrect narration of some historical facts. A small quantity of inaccurate words and comments were deleted or revised. At the same time, a number of technical explanatory notes were added.

The revision of the Selected Works was concentrated on the explanatory notes according to Mao Zedong's opinion. On the basis of the revising work in the 1960's, the new results in the collection of historical facts and scientific research after the Third Plenary Session of the 11th CPC Central Committee were also taken into account in the latest revision.

11.

Mao Zedong wrote the works included in the first four volumes of Selected Works of Mao Zedong during the New Democratic Revolution. While we are now in the period of socialist construction and in an era of reform and opening up, why is it still necessary to study these works? Are these works still of guiding significance for the building of socialism with Chinese characteristics? We need to give an explicit answer to these fundamental questions.

Any theory is certainly the product of a particular historical period, but the role and significance of theory often transcend the specific historical period in which the theory is formed. Marxism was formed more than 100 years ago, but its basic theory still maintains strong vitality. The book Sun Zi's Art of War was published more than 2,000 years ago, but many principles are still applicable in the modern warfare in the 20th century. Many theories that Mao Zedong put forth through summing up the experience of the New Democratic Revolution, especially his basic stand, viewpoints, and methodology, are of universal significance, and their guiding role is not limited to the New Democratic Revolution period. They are still applicable in the socialist period.

The communist movement in China over the past 70 years is composed of two stages of development, namely the stages of New Democracy and socialism. The two stages have their own characteristics, but they also share some identical points. The guiding ideology for both the two stages is the ideological system of communism, and both are aimed at building China into an independent, free, democratic, affluent, and strong socialist country and eventually realizing communism under CPC leadership through the mobilization and organization of the hundreds of millions of people in this country. The CPC accumulated rich experience in the course of leading the protracted struggle throughout the New Democratic Revolution. The theorization of such experience finds expression in the works of the proletarian revolutionaries of the old generation, but such theory is mainly crystallized in the four volumes of Selected Works of Mao Zedong, which are the representative works of Mao Zedong Thought. Some of the experiences in the Democratic Revolution period was merely applicable in those years and became irrelevant under the present conditions. But some of the experiences, especially the basic experience, is still useful and applicable today, and

should be repeatedly studied and better mastered. By carefully reading from the beginning of volume one to the end of volume four of the Selected Works, one may find that there exists a lot of experience still useful today in various fields and tiers. Many things have in fact become our party's fine tradition and style, which should be passed down from generation to generation.

China's socialism is derived from New Democracy. China's today is derived from China's yesterday. History cannot be cut off. New Democracy and socialism are directly linked, and still less can they be severed. To understand today and to guide today's work, we must know what happened yesterday and must learn yesterday's experience, from which we can take nutrition and enrich our wisdom. We can increase our abilities by learning from the positive experience and can also draw a useful lesson from the negative experience. Only thus can we learn how to correctly work and prevent repetition of the same mistakes.

Mao Zedong said: "We should sum up our history from Confucius to Sun Yat-sen and take over this valuable legacy" (see *The Role of the CPC in the National War*). If this is the way we treat our legacy from ancient to modern times, then should not we more dearly cherish our own historical experience that we gained at the cost of our comrades' blood and lives? New knowledge can be gained through reviewing old lessons; and past experience can guide our future actions. Studying and applying historical experience is a need in our present work.

China's New Democratic Revolution traversed a long and tortuous path. The four volumes of Selected Works of Mao Zedong recorded the victory of this great popular revolution and summed up its experience. At the same time, they also give expression to the whole tortuous course of this revolution, from its vigorous beginning via setbacks, failures, difficulties, and revivals to its thorough victory. Through studying Selected Works of Mao Zedong we can understand what hardships and difficulties were overcome before the revolution was won, how the correct line represented by Mao Zedong defeated and outdid the erroneous lines inside the party, and how our party became mature by undergoing twists and turns and enduring hardships and pains. It was impossible to smoothly and easily accomplish an unprecedented great revolution in a semicolonial and semifeudal nation and to win uninterrupted victories one after another. It is inconceivable that a Marxist-Leninist party could become mature and win victories without encountering setbacks and without making mistakes. After going through all kinds of hardships and difficulties, our party eventually won the victory, and our revolution eventually succeeded. In the new historical period, building socialism with Chinese characteristics is similarly an unprecedented great cause, and setbacks and difficulties are similarly unavoidable. By studying the four volumes of Selected Works of Mao Zedong and reviewing the party's history of growing from weak to strong and turning defeat into victory and changing disadvantages into advantages, we shall increase our courage for overcoming difficulties and boost our confidence in winning victories.

III.

There are a lot of things that we should study in the four volumes of Selected Works of Mao Zedong.

First, we should study Mao Zedong's thought about integrating the basic principles of Marxism-Leninism with the concrete practice of the Chinese revolution, that is, the ideological line of everything proceeding from actual conditions, linking theory with practice, and seeking truth from facts.

The old China was a large and backward country in the East, and there existed tremendous differences between China and the capitalist countries in Western Europe. It required great theoretical courage and creativity to successfully apply Marxism-Leninism in a country like China. The key lay in proceeding from China's actual conditions, emancipating one's mind, being courageous to make innovations and to forward new theories by breaking through the individual conclusions in the Marxist-Leninist theory which were out of keeping with China's actual conditions, thus independently solving the concrete issues in the Chinese Revolution. That was what Mao Zedong did. From the Selected Works, we can find such distinct characteristics in Mao Zedong's theoretical creation. That is, he never went without analyzing China's specific national conditions and studying the practical experience of the masses. He opened up a unique road for China's revolution in the course of practice, and created a completely original theory—the theory of New Democracy. In 1944, in an interview with American reporter Stein [si tan yin 2448 0982 0936], Mao Zedong mentioned the CPC's firm conviction of Marxism: "Accepting thoughts from China's past or from foreign countries does not mean rigid copying without regard to our current conditions. They must be harmonized with China's current conditions and applied in a proper way." "We Chinese must use our own brains to think, and must decide what can grow on our soil" (see Notes About the Image of Mao Zedong). When studying Selected Works of Mao Zedong, we should study how Mao Zedong applied the basic principles of Marxism-Leninism to solve China's concrete issues and how he independently studied and summed up China's practical experience and ungraded it into theory under the guidance of the basic principles of Marxism-Leninism and then used the theory to guide the practice.

Since the Third Plenary Session of the 11th CPC Central Committee, the party's second-generation leading collective headed by Deng Xiaoping precisely followed the ideological line of seeking truth from facts as Mao Zedong advocated; forwarded the theory, line, and policies for building socialism with Chinese characteristics; and created a new situation. The process of China's New Democratic Revolution was also the process of integrating Marxism-Leninism with China's practice of revolution.

Similarly, the process of building socialism with Chinese characteristics is also the process of further integrating Marxism-Leninism with China's practice of socialist construction. We should always master and adhere to this ideological line.

Second, we should study Mao Zedong's thought about the mass line.

The underlying principle expressed in all works of the collection, and in Mao Zedong's practical activities as a whole, was "serving the people wholeheartedly" and "trusting and relying on the masses."

Mao Zedong's theses on the mass line embody Marxism's world view, epistemology, and methodology. Such theses are vivid and cogent teaching materials for conducting education in materialism and in the world outlook and values of socialism and communism in the whole party and among the entire people throughout the country. This is also the fundamental guideline for our work in all fields that we must follow in order to fulfill all the tasks in revolution and construction.

"Serving the people wholeheartedly" is our party's fundamental principle, and is the fundamental standpoint and starting point for all Communist Party members and state cadres. The CPC can win the trust, support, and respect from all the people in China and can be worthy of being representative of the supreme interests of the Chinese nation because, in its struggle over the past decades, it has always taken the supreme interests of the broadest masses of the people as the norm for its action. The party does not seek selfish gain, and it only bravely and wholeheartedly fights for the liberation of the whole nation and the well-being of the entire people. Innumerous outstanding party members sacrificed their lives for this purpose. This is exactly the world outlook and values of socialism and communism. However, a few years ago, the thought of "serving the people wholeheartedly" and some related slogans, such as "carrying forward the selfless dedicating spirit," "working wholeheartedly for the benefit of other people without seeking any private gains," and "emulating Comrade Lei Feng," were mocked and criticized, and sometimes were even misinterpreted as "moralism," which contradicts historical materialism. This thus provided "theoretical" grounds for the spread of such bourgeois thoughts as individualism and selfish egoism. Obviously, that reflected the differences and struggle between the two types of world outlook and values.

Today, studying and practicing Mao Zedong's instructions about serving the people wholeheartedly and keeping close ties with the masses is of special significance. Our party is now a ruling party, and is also situated in the environment of reform, opening up, and developing the planned commodity economy. Some party members have alienated themselves from the masses, have forgotten the principle of serving the people, and have been merely seeking selfish interests for themselves or for their small groups. The phenomena of corruption has occurred and has posed serious threats to the party. Today, when recalling that shortly before the victory in the War of Resistance Against

Japan, Mao Zedong recommended Guo Moruo's essay "The Tercentenary of the 1644 Uprising" to the whole party and warned the whole party against repeating the error of becoming conceited at the moment of success, and in particular, on the eve of the founding of the people's republic, he again gave the timely warning against the bourgeoisie's attacks with sugar-coated bullets, we can feel how wise and foresighted he was. Mao Zedong's instructions on serving the people wholeheartedly and keeping close ties with the masses will never be out-of-date. If we deviate from this principle and go awry further, the party will lose its proletarian nature and will degenerate.

"People, and the people alone, are the motive force in the making of world history." This was a conclusion drawn by Mao Zedong from studying Marxism and historical materialism, from studying China's history over the past several thousand years, and especially from studying and summing up our party's practical experience in the revolutionary struggle over several decades. In the party's history, whenever there were major difficulties or changes. Mao Zedong certainly educated and armed the whole party and the revolutionary ranks with the ideas of "having faith in the masses and relying on the masses" and having faith in "the great creativity of the masses" and encouraged the people to defeat the enemies and overcome the difficulties. In the Democratic Revolution period, in order to overthrow the three big mountains, the CPC encountered the greatest difficulties to have ever been encountered by any people before, but it successfully surmounted them one after another. In the final analysis, this was because the party had firm faith in the strength of the masses and firmly relied on the masses. It is believed that in the future long course of socialist construction, there will still be many greater difficulties. But as long as we actually master the science of Marxism-Leninism, have firm faith in the masses, firmly rely on the masses, and identify ourselves with the masses, as Mao Zedong advocated, then we will certainly be able to surmount any obstacles or difficulties.

The CPC is the vanguard of the proletariat armed with Marxism-Leninism. According to Mao Zedong, the norm for the party's relations with the masses should be: The party guides the masses to make advances according to their needs and wishes, so both commandism and tailism should be overcome. Mao Zedong stressed: All work done for the masses must start from their needs and not from any individual's desire, however wellintentioned; otherwise, the party will isolate itself from the masses. On the other hand, Mao Zedong also stressed: Leaders must not fall below the level of political consciousness of the masses and must not yield to or pander to the incorrect opinions among the masses. Instead, they should lead the masses to make advances and continuously enhance the masses' level of political consciousness. The party must not only care about and satisfy the immediate needs and interests of the masses, but must also educate the masses and help them realize and fight for their long-term and fundamental interests.

Taking ideas from the masses and then turning them into concentrated and systematic ideas embraced and put into practice by the masses is an important point in Mao Zedong's theory of the mass line. Mao Zedong said: The opinions of the masses should be concentrated and turned into systematic ideas, which are then propagated and explained to the masses until the masses embrace them as their own, hold fast to them, and translate them into action. The correctness of the ideas can be tested in such action. Then once again ideas can be concentrated from the masses and once again introduced to the masses so that the ideas are persevered in and carried through. And so on, over and over again in an endless spiral, with the ideas becoming more correct, more vital, and richer each time. Such is the Marxist theory of knowledge (see "Some Questions Concerning Leadership Methods"). Here, Mao Zedong not only regarded the mass line as a working method, but also considered it a major point in the theory of knowledge, according to which, truth is tested and developed through practice (or the action of the masses), and as a step for realizing democracy (through the process of collecting and giving expression to the people's opinions). Thus, the Marxist viewpoints on the status of the masses, on truth, and on democracy are all unified in the mass line.

Third, we should study Mao Zedong's thought about party building.

With the development of reform and opening up, especially in the wake of the series of changes in the international communist movement in 1989, the importance of party building has become increasingly prominent, and this has also made it more necessary to study Mao Zedong's thought about party building.

Mao Zedong's party building thought boils down to the solution for the question of what the party should look like and how the party should be built up.

A distinct characteristic of Mao Zedong's party building thought is to stress ideological construction. He insisted that the CPC must be an advanced organization of the working class armed with Marxism-Leninism. Therefore, he paid special attention to giving Marxist-Leninist education to the whole party, especially the party cadres, and to enhancing the level of mastering Marxism-Leninism in order that the party could achieve ideological unity on the basis of Marxism-Leninism. In order to unify the thinking of the whole party, it was necessary to unfold the ideological struggle so that the proletarian ideology could overcome the nonproletarian ideology and Marxism could prevail over non-Marxist doctrines and thoughts. The struggle against subjectivism, sectarianism, stereotyped party writing, liberalism, individualism, and other non-Marxist thoughts in the Yanan Rectification Campaign in the 1940's greatly consolidated the party's unity on the basis of Marxism-Leninism. Today, under the new situation, serious attention must be paid to the harmful effects of the bourgeois liberalization thoughts, the world outlook and values of the exploiting classes, and various non-Marxist and anti-Marxist things inside our party. Unremitting efforts should be made to criticize and struggle against such things. This is an important task on the ideological front and in the field of party building at present and over a fairly long time to come.

Our country is now situated in the initial stage of socialism, and the capitalist economy is allowed to exist within certain limits and to develop to an appropriate degree. Under such complicated historical conditions, how to maintain the purity of party members' communist values is an important issue in party building. In 1941, Mao Zedong forwarded a thesis on the need to seriously and resolutely maintain the communist purity of the party membership while there was a need to allow the existence and appropriate development of useful capitalist elements in the socioeconomic policy. In a certain sense, this is still relevant today (although we are now building a socialist rather than democratic republic). Today, the corruptive bourgeois thoughts inside the party are much more dangerous and harmful than in those years, so it is of greater importance to maintain the party membership's communist purity.

Mao Zedong developed many important theories on party building, such as those about the democratic centralism system, the three major characteristics of the party's style of work, the principles and policies for handling inner-party contradictions, and the close relationship between party building and the party's political line. All of them remain basic principles that we must follow in our party building work.

Fourth, we should study Mao Zedong's thought about the united front.

The CPC has been leading the Chinese revolution under extremely complicated conditions and has accumulated rich experience in building and operating the united front. Mao Zedong summed up such experience into a set of unique and original united front theories, principles, and tactics, which added new content to scientific socialism.

Maintaining the Communist Party's leadership is the underlying principle of Mao Zedong's united front thought. Mao said: "Without the CPC's firm leadership, no revolutionary united front can win victory" (see "Current Situation and Our Tasks"). After the Communist Party seized political power in the nation, the united front was completely subject to CPC leadership. Maintaining the party's leadership is not only the underlying principle for the united front, but also the underlying and unshakable principle for our state and political system.

Uniting all forces that can be united and forming the broadest possible united front is the fundamental strategic thought established by Mao Zedong for the united front work. In the period of revolution, he constantly advocated the need to "organize millions upon millions of the masses and move a mighty revolutionary army into action" in order to thoroughly isolate the principal

enemy at the time. Therefore, he was opposed to closed-door tactics which only led to self-isolation. Mao Zedong paid special attention to the middle-of-the-road forces, and took winning over such forces as "an extremely important task," as he said that only by winning over the middle-of-the-road forces can the wideranging united front be set up. In the socialist construction period, he further forwarded the basic principle of uniting all people that can be united and arousing all positive factors for the cause of socialism.

Keeping coalition and carrying out struggle at the same time was the general policy laid down by Mao Zedong for the united front work. According to the party's united front policy laid down by Mao Zedong, coalition must not exclude necessary struggle, nor should struggle exclude coalition. Struggle is the means of consolidating the coalition, and coalition is the aim of struggle. So struggle must be controlled within the limits of not causing disintegration of the coalition. Different policies should be adopted toward different types of allies in the united front, and different forms of coalition and struggle should be adopted toward them. When dealing with the united front, it is necessary to oppose both the leftist closed-door attitude and the rightist capitulationist attitude.

Today, the contents of forms of our country's united front have greatly varied from those in the period of the Democratic Revolution and in the early period of the people's republic. However, the basic principles and many tactical thoughts forwarded by Mao Zedong are still worth being deeply understood and borne in mind by us.

Fifth, we should study Mao Zedong's thinking method.

The issue of thinking method is the richest and most interesting part of the contents of Selected Works of Mao Zedong, and is also the part with the greatest universal significance. His theses in this regard are not only included in his philosophical essays, but are more richly included in the works on military and other issues. Mao Zedong's thinking method is based on the Marxist theory of dialectical and historical materialism. At the same time, it also bears a distinct Chinese characteristic, as many good points summed up from China's revolutionary experience are added to it.

Why did Mao Zedong especially attach importance to methods of thinking? Why do the theses on methods of thinking account for a substantial proportion of the Selected Works? This is something determined by the Chinese revolution's historical process. In the course of leading the New Democratic Revolution, our party committed a number of major mistakes under the leadership of Chen Duxiu, Qu Qiubai, Li Lisan, and Wang Ming. Why did another mistake appear after one was corrected? And why did similar mistakes reappear? This is the question Mao Zedong had to think about. He finally found that the basic cause of the mistakes lay in people's methods of thinking. In the essay "Reform Our Study" published in May 1941, he explicitly pointed out the

need to oppose the subjectivist method of thinking and to advocate the scientific and Marxist-Leninist method of thinking and the principle of seeking truth from facts. In September of the same year, when the Central Committee Political Bureau held a meeting to review the party's mistakes in the late period of the agrarian revolution, most comrades in the central leadership core had come to understand this issue. They held that being different from the previous meetings, this meeting found the underlying causes of the party's previous mistakes in the realm of thinking methods. This laid the ideological foundation for the smooth conduct and the Yanan Rectification Campaign's great success.

In the Democratic Revolution and socialist construction periods, the subjectivist method of thinking seriously harmed our party's cause many times, and sometimes even almost ruined the revolution completely. Therefore, whether or not the method of thinking is correct is an important issue that has a direct bearing on success or failure of the cause of revolution and construction.

The contents of Mao Zedong's thinking method include many important points. Besides such points as all proceeding from actual conditions, linking theory with practice, seeking truth from facts, and upholding the mass line as mentioned above, there are also such points as investigations and studies; analyzing and resolving contradictions; making concrete analysis of concrete things, viewing things objectively and comprehensively, seizing the essence of a matter; strategically despising the enemies while tactically taking them seriously; correctly carrying out the struggle between two lines; while stressing opposing one deviation, guarding against and opposing another deviation; and combining the lofty ideal with the fulfillment of current tasks. All these serve one purpose, that is, to solve the contradiction between the subjective and objective worlds and to bring subjective things into line with objective things. Mao Zedong once said: Since the CPC's founding in 1921, it has made a great many magnificent achievements, but also made many mistakes. Only after the rectification campaign in 1942 could the party seek the reliable way to win victories, that is, to bring subjective things into line with objective things.

Mao Zedong's theses on methods of thinking (and also methods of working) constitute a intellectual treasure-house, which provides people with correct approaches and ways to observe, analyze, and resolve issues. Once people master the correct method of thinking, they will become more intelligent and resourceful and will do their work better.

Finally, we should study Mao Zedong's firm proletarian revolutionary spirit.

In a 1936 interview with Edgar Snow, Mao Zedong said: "Since I accepted the correct interpretation of history given by Marxism, my faith in Marxism has never wavered." Mao Zedong's whole life fully bore out what he said at the time. His faith in Marxism was firm and consistent. Moreover, he developed Marxism in many aspects. In his revolutionary career, Mao Zedong, like our party as a whole, experienced untold hardships and difficulties. He never yielded to strong enemies or inconceivable difficulties, and was never taken in by any political deceptions of the enemies. He always maintained a firm revolutionary orientation. After reading all four volumes of Selected Works of Mao Zedong from beginning to end, people will be deeply moved by the breadth of his revolutionary vision, his staunch revolutionary will, his unyielding integrity as a revolutionary, and his superb art of struggle.

After the failure of the Great Revolution in 1927, the Kuomintang [KMT] bloodily massacred a large number of Communist Party members and innumerous people among the revolutionary masses, and the revolution was bbing. Unyielding, Mao Zedong and many other Communists "picked themselves up, wiped off the blood, buried their fallen comrades, and went into battle again" (see "On Coalition Government"). In the environment of a tiny revolutionary base area tightly encircled by the enemy, Mao Zedong pointed out that "a single spark can start a prairie fire" in view of the pessimistic mood among a small number of party comrades. He firmly believed that the revolutionary force would grow stronger and win the final victory. In October 1935, after one year of tough fighting and a strenuous march, Mao Zedong wrote the verse, "if we fail to reach the Great Wall we are not men, we who have already measured twenty thousand li" when getting to Mount Liupan in Ningxia. This expressed his, and also the party central leadership's, indomitable and heroic spirit and revolutionary aspirations on the Long March. When the War of Resistance Against Japan broke out, the Red Army had only 30,000-40,000 troops. Some people inside the party looked down on the Red Army's strength and pinned the hopes for the War of Resistance on the KMT, and they were not sober-headed and did not take an independent policy. Mao Zedong criticized and corrected such a coward's mentality and decadent ideas, and forwarded the principle of being independent and self-reliant. He stressed the need to rely on and develop the Eighth Route and New Fourth Armies, to expand the people's forces, and to build up the confidence in the certain triumph of the revolution. During the anti-Japanese war, the Eighth Route and the New Fourth Armies not only faced attacks from the Japanese invaders, but were also facing attacks from the anti-communist diehard forces inside the resistance coalition. However, under the leadership of the party center and Mao Zedong, they completely relied on their own strength and efforts to tide over the most difficult days in the War of Resistance Against Japan. In 1946, with the support of the U.S. imperialists, Chiang Kai-shek launched a full-scale civil war. When facing the enemie: who got the upper hand at the beginning of the war. Mao Zedong cool-headedly and scientifically analyzed the domestic and international situations and opposed some people's erroneous idea of boggling at the revolutionary war against the U.S. and Chiang-clique reactionaries for fear of the U.S. imperialists and the outbreak of a new world war. He displayed the courage of "going against the prevailing trend" and

defied Stalin's opposition when he resolutely led the People's Liberation Army to fight the anti-Chiang selfdefensive war. In a short period of about one year, the People's Liberation War was shifted from the strategic defensive stage to the strategic offensive stage. While suffering military setbacks, Chiang Kai-shek again and again played the "peace talks" trick in order to win a breathing spell and organize a comeback. But the deceptive plots were all laid bare by Mao Zedong, and he also gave a timely warning to the whole party and the entire people, and required them to enhance their vigilance against the Chinese people's enemies. He said: "We must never relax our vigilance against the frenzied plots for revenge by the imperialist and their running dogs because we have won. Whoever relaxes vigilance will disarm himself politically and land himself in a passive position." "China must be independent, China must be liberated. China's affairs must be decided and run by the Chinese people themselves, and no further interference, not even the slightest, will be tolerated from any imperialist country" (see "Address to New Political Consultative Conference"). After the founding of the PRC, under the leadership of Mao Zedong, our nation firmly adhered to the principle of independence and selfdetermination, and successfully stood up to pressure from various foreign forces and safeguarded our state sovereignty and national dignity.

Mao Zedong once praised Lu Xun and lauded him as an unparalleled national hero. He said: "Lu Xun was a man of unyielding integrity, free from all sycophancy or obsequiousness, and this quality is invaluable among colonial and semicolonial peoples" (see "On New Democracy"). Mao Zedong also praised Wen Yiduo and said: "Wen Yiduo rose to his full height and smote the table, angrily faced the Kuomintang pistols, and died rather than submit. Zhu Ziqing, thought seriously ill, starved to death rather than accept 'relief food' from the United States" (see "Farewell, Leighton Stuart!"). Mao Zedong's heartfelt admiration for such noble character and unyielding integrity also expressed his own proletarian revolutionary feelings.

Today, when facing the complicated and changeable international situation, it is particularly necessary for us to emulate Mao Zedong's firm faith in Marxism-Leninism and his staunch proletarian revolutionary spirit.

IV

The above-mentioned points are far from including all the rich contents of the four volumes of Selected Works of Mao Zedong, as we have not mentioned in detail the theses on military, economic, organizational, and cultural issues, which are all important component parts of Mao Zedong Thought and all are of great guiding significance at the present time. I think other experts will elaborate on those issues.

Selected Works of Mao Zedong, Volumes 1-4, represent the crystallization of our party's collective wisdom in the Democratic Revolution period. The works give vivid and concentrated expression to the victory of Marxism-Leninism in China. This victory once again showed to the whole world, in the wake of the October Revolution in Russia, that Marxism-Leninism is scientific truth and ever-victorious.

Although Selected Works of Mao Zedong, Volumes 1-4, include the works from the Democratic Revolution period, the underlying stand, viewpoints, and methodology and many thoughts and principles set forth and elaborated by these works are still of guiding significance for building socialism with Chinese characteristics and implementing the party's basic line at the present stage. It is completely wrong to negate or underestimate their guiding significance.

The four volumes of the Selected Works provide an ideological weapon for combating bourgeois liberalization and resisting and preventing peaceful evolution. We should take up this weapon and carry out correct and effective struggle against all sorts of ideological trends to negate the Chinese revolution, to negate the leadership of the Communist Party, to negate Marxism-Leninism, and to advocate the decadent ideology of the bourgeoisie and other exploiting classes.

The four volumes of the Selected Works are teaching materials in the building of socialist spiritual civilization. We should use them to conduct education about the national conditions, the revolutionary tradition, the Communist Party's fine style, socialist and communist morality and ideology, and patriotic feelings and nationalist integrity in the whole party and among the entire people, especially young people.

Mao Zedong Thought also needs to be further developed in the course of practice. Mao Zedong himself made many new developments of his own thought. Mao Zedong was a revolutionary sho was never content with his theories and achievements. He always untiringly tried to gain more new knowledge, discover more new things in the world, develop more new theories, and make new explorations. Although he did undergo twists and turns and commit various mistakes in the course of explorations, including the serious mistake of launching the "Cultural Revolution," he was still a great proletarian revolutionary. In the period of socialism, Mao Zedong continued to leave us some scientific works and valuable spiritual treasure. Some of his thoughts and viewpoints remain the guideline for the formulation of our party's current domestic and foreign policies. So, we should also earnestly study and apply Mao Zedong's scientific works in the period of socialism.

After the Third Plenary Session of the 11th CPC Central Committee, our country entered a new historical period. We have been facing many new things and problems, and have also accumulated a lot of new experience. We need to analyze, resolve, and generalize them under the guidance of Marxism and thus develop new theories. The party's second-generation central leadership, with Comrade Deng Xiaoping as the core, maintained and developed Mao Zedong Thought and also forwarded a new theory, that is, the theory of

building socialism with Chinese characteristics. This theory is continuously developing and improving. At present, under the guidance of the the party's third-generation central leading collective, with Comrade Jiang Zemin as the core, the whole party is advancing toward a new grand objective, and Mao Zedong Thought will certainly continue to play a great guiding role.

From the publication of the first edition of Selected Works of Mao Zedong to the publication of the second edition, more than 30-40 years have passed, and tremendous changes have occurred in China. Our party has again accumulated a lot of new experience (including negative experience). It is necessary for comrades who have read Selected Works of Mao Zedong before to read the books once again in order to renew their understanding and knowledge. Young comrades who have not read the Selected Works before will certainly gain a new scope of knowledge if they earnestly study the books.

At present, the international situation is drastically changing, and our country's socialist modernization construction is at a crucial juncture. At this moment, the publication of Selected Works of Mao Zedong. Volumes 1-4, is of special significance.

Nurse Recounts Last Moments of Mao's Life

HK0807094491 Hong Kong ZHONGGUO TONGXUN SHE in English 0810 GMT 8 Jul 91

["Mao Zedong's Last Moments of Life as Recounted by His Nurse"—ZHONGGUO TONGXUN SHE headline]

[Text] Beijing, July 8 (HKCNA)—The nurse who tended Mao Zedong at the last stage of his life, Ms. Meng Jinyun, recalled that when he was close to dying he expressed the wish to read the book written by former Japanese Prime Minister Takeo Miki.

On September 8, 1976, when Mao's life was drawing to its end despite repeated medical attempts to prolong his life and repeated lapses of consciousness, he insisted on reading whenever he regained consciousness. At this critical stage, members of the Standing Committee of the Politburo and nursing staff were constantly by his bedside.

He said that he wished to read a book but his voice was so weak and unclear that even his secretary who was able to understand him best could not make out what he wanted to say. He became impatient and demonstrated that he wished to have pen and paper brought to him. He wrote the word "three" on the paper and handed it back to his secretary with a trembling hand. Then he knocked on his bed. The secretary finally caught on to what he meant. He wanted to read a book written by Takeo Miki (Miki literally means "three" and "wood" in Chinese). Prime Minister Miki was ready to step down at that time. When the secretary brought him Miki's book, Mao nodded and showed satisfaction. His trembling hands could hardly support the slim volume and it was the nurse, Meng Jinyun who held the book for him to read.

After reading for a few minutes he became unconscious again. This was the last book Mao ever read and he was not destined to finish it.

WEN WEI PO Editorial on Party Building

HK090705_791 Hong Kong WEN WEI PO in Chinese 6 Jul 91 p 2

[Editorial: "CPC Works Hard To Augment Its Own Building"]

[Text] Throughout history, Chinese communists have tackled innumerable difficulties and dangers, overcome all sorts of setbacks and adversities, and advanced from victory to victory.

When the Chinese nation fell into deep calamities from 1921 through 1949, Chinese communists, fearing neither slaughter nor imprisonment, led the Chinese people in overthrowing the three big mountains and achieving national independence. Thus China took on an entirely new look. In the 1950's and mid-1960's, a large number of Chinese communists worked hard at their different posts day and night and bore hardship ahead of others. They sacrificed their youth and even their lives. Examples were Wang Jinxi, Lei Feng, and Jiao Yulu. Their good deeds are still encouraging people now.

Communists' morality of serving the people and their determination to fight for their ideals are important factors for the CPC to overcome all difficulties.

In the last 10 years or so, a large number of Communist Party members have worked hard on all fronts in the course of reform, opening up, and the four modernizations drive, thus blazing a new trail in building socialism with Chinese characteristics. When the state and the people's lives and property are in danger, they step forward boldly to defend the interests of the state and the people. The main aspect of party members and cadres is good. While being aware of this point, General Secretary Jiang Zemin also pointed out: "In the course of reform, opening up, and developing the commodity economy, decadent capitalist ideas, concept of value, and lifestyle inevitably contaminate the body of our party." "Some party members and cadres, being unable to withstand the test, will become muddleheaded, waver in their stand, violate law and discipline, and degenerate." "Party style involves the party's life and death; if corruption is allowed to spread unchecked, the party could head toward self-destruction."

Some East European parties have lost their ruling position, and a political storm occurred in Beijing between the spring and summer of 1989. These still remain alarming examples for us. The subversive forces outside the borders make trouble by taking advantage of party members' corruption, and a stronghold is easy to destroy from within.

The CPC is soberly aware that the socialist ship will come across difficulties and adversities, but as long as it remains sober-minded and can sum up lessons and experiences, it will overcome all difficulties and dangers.

In a speech to commemorate the 70th founding anniversary of the CPC, Jiang Zemin talked at length about the situation facing the party in its organizational improvement. He proposed the following detailed measures: 1) Efforts should be made to improve the entire party's Marxist understanding and to strengthen its ability to resist the corrosive influence of all sorts of wrong ideas and its ability to resolve all problems in reform 2nd construction. 2) Efforts should be made to improve the entire party's consciousness in serving the people and to prevent the party from being separated from the masses and from becoming corrupt. 3) Efforts should be made to improve party organizations' combat effectiveness. 4) Efforts should be made to train millions upon millions of successors to the socialist cause.

These four measures have been urgently expected by the Chinese people.

The people expect all leading departments and leading cadres to set good examples, change their style, work in a down-to-earth manner, diligently run administration for the people, and seriously resolve problems for the people. They want to see severe punishments meted out to unworthy party members who break party and government discipline and law.

Exercising strict control over the party, ensuring that party members will abide by the party constitution, establishing a good party style, and forming close ties with the masses will enable the party to take deep root among the masses. In accordance with Jiang Zemin's requirement of "resisting corruption and preventing peaceful evolution," effective measures should be taken to strengthen inner-party and mass supervision and to combat corruption and the abuse of power for personal gain. This is necessary for the augmentation of CPC organizational building and will also produce a positive impact on the improvement of China's democratic and legal system. It will also constitute an important aspect of China's future political structural reform.

In encouraging party members to wholeheartedly serve the people, there should be a system apart from just relying on willingness. With a system, democratic spirit can be displayed to allow the people to supervise party members and cadres according to law. Party members and cadres could always work for the people's interests and establish good relations with the masses in the past. Now in the 1990's, the CPC will enjoy more popular support in strengthening its ideological buildup, in propagating the spirit of serving the people, in opposing the abuse of power for personal gain, and in combating the practice of "gearing all efforts toward moneymaking." It will face a new challenge in this respect.

ideology Stressed in Elementary, Higher Education

Li Tieying Article

HK0907023291 Beijing RENMIN RIBAO in Chinese 28 Jun 91 p 3

[Article by Li Tieying: "Make Efforts To Raise Party Building Work of Institutions of Higher Learning to New Level: Speech at National Meeting on Party Building Work of Institutions of Higher Learning and for Commending Outstanding Ideological, Political Workers (Excerpts)"

[Text] This is an important meeting in our current efforts to implement the spirit of the party Central Committee on strengthening party building in the new period; and to put into effect the requirements set forth by the "Circular of the CPC on Strengthening Party Building in Institutions of Higher Learning" as well as by last year's national conference on party building in institutions of higher learning.

1. Fully Understand the Present Situation Confronting Party Organizations of Institutions of Higher Learning

Since the national conference on party building in institutions of higher learning, party committees of all localities, party organizations of relevant ministries and commissions directly under the State Council, and party organizations and party members of the higher education front have done a great deal of work and scored certain achievements. As a result, the party building and ideological and political work have been strengthened. and gratifying changes have taken place in the ideological and political outlook of teachers, students, and staff. Practice over the past year and more has proved that with many tasks to perform, institutions of higher learning should first strengthen party building. The present tasks of and principles for guiding party building in institutions of higher learning are correct, and the crucial point is to pay great attention to their implementation. The achievements scored by institutions of higher learning over the past year and more cannot be separated from the arduous and unified struggle of party organizations at all levels, as well as the vast numbers of party members, teachers, and staff.

In the wake of the quelling of the turmoil in late spring and early summer of 1989, and the counterrevolutionary rebellion in Beijing district, we have withstood international political pressure and economic sanctions imposed on us, and strengthened friendly contacts with peoples of all countries. On the domestic front, the situation in which bourgeois liberalization thought ran rampant has been checked; remarkable results have been achieved in economic improvement and rectification and in reform and opening up; and the country is enjoying political, economic, and social stability. All these are favorable conditions for us to do a better job in all fields of endeavor in institutions of higher learning. At the same time, it should be noted that the situation we are facing has a severe side. From an international point of view, we are now confirmed with "two challenges":

the challenge of world economic competition and a new technological revolution, and the challenge of international hostile forces which attempt to carry out peaceful evolution in China. From a domestic point of view, the Seventh Plenary Session of the 13th CPC Central Committee and the Fourth Session of the Seventh National People's Conference have formulated the operational outline for attaining the second strategic goal of socialist modernization. Tasks confronting us are both grand and arduous, and the efforts to uphold the four cardinal principles and the st uggle against bourgeois liberalization will be protracted ones. All this thus requires institutions of higher learning to cultivate people who are not only proficient in their professional work with a mastery of modern science, culture, and technology, and with the ability to meet the challenge of world economic competition and a new technological revolution; but who are also determined to establish a firm and correct political orientation, have the spirit to dedicate themselves to socialist modernization, and become worthy successors to the revolutionary cause. This has added to the importance, arduousness, and complexity of tasks confronting institutions of higher learning.

International hostile forces have never forgotten their dream of overthrowing the leadership of the Communist Party and subverting the socialist system through armed interference or peaceful evolution. Their stepped-up effort to carry out the strategy of peaceful evolution is a main form of their offensive against socialism under the new historical conditions. It is independent of man's will that "the tree may prefer calm, but the wind will not subside." International hostile forces "have placed their hope on China's third and fourth generations" and, therefore, they will inevitably focus on young students and try to win them away from us. Peaceful evolution is the biggest danger for the time being. Efforts to oppose and prevent peaceful evolution, and struggles against bourgeois liberalization, are in the fundamental interest of the Chinese nation. In the future, we should continue to make unswerving efforts to continue opening up; expand friendly contracts with people of all countries; and study and refer to advanced science and technology, management experience, and outstanding cultural accomplishments of foreign countries. In our efforts to continue expanding contacts in the educational field with all countries, we should work with "two hands;" that is, while developing cooperative relations on the basis of the five principles of peaceful coexistence, struggles against hostile forces' peaceful evolution, especially infiltration in the ideological field, should also be waged in a relentless way.

At the primary stage of socialism, class struggle still exists within a certain scope in China, and sometimes it can be considerably incisive and acute, especially in the ideological field. The sharp confrontation between forces for and against peaceful evolution, and that between bourgeois liberalization and the four cardinal principles, are a protracted and realistic class struggle. To the whole country, it is a matter which has a bearing on the life and

death of our socialist country under the people's democratic dictatorship whether or not efforts can be taken to uphold the four cardinal principles; oppose peaceful evolution; and unremittingly carry out the education and struggle against bourgeois liberalization. It is also a matter of vital importance to institutions of higher learning whether or not the party's leadership and the socialist orientation can be upheld, and whether successors to the socialist cause can be brought up.

The coming decade is crucial to the attainment of the second strategic goal of socialist modernization. During the coming decade, institutes of higher learning will undertake the important task of providing socialist modernization with necessary professionals and intellectual support, and cultivating tens of millions of builders of and successors to the socialist cause in the 1990's and at the beginning of new century. All these require us to further strengthen the party's leadership over institutions of higher learning; earnestly do a good job of the self-building of party organizations in institutions of higher learning; manage the party with strict discipline; and bring about a fundamental turn for the better in the ideological and political situation by giving full play to the roles of party organizations and party members. It is necessary to turn institutions of higher learning into strong positions which can propagate and safeguard Marxism-Leninism-Mao Zedong Thought in the building of socialist spiritual civilization; into strongholds which can uphold the four cardinal principles. oppose bourgeois liberalization and peaceful evolution. and safeguard the political situation of stability and unity; and into important places for cultivating builders of and successors to the socialist cause. Key universities and colleges should not only become centers for academic teaching and scientific research, but should also take the lead in the aforementioned several fields.

II. Vigorously Enhance the Marxist Theoretical Level of the Vast Numbers of Cadres and Party Members in Institutions of Higher Learning

Comrade Mao Zedong pointed out in his article entitled "On United Government": "Ever since its start, ours has been a party based on Marxist and Leninist theory, because this doctrine is the crystallization of the most correct and revolutionary scientific thought for the proletariat of the whole world." It is a task of top priority for institutions of higher learning in their party building work to strengthen the ideological building of the party and vigorously enhance the Marxist theoretical level of the vast numbers of cadres and party members.

 It is a fundamental matter in running universities and colleges well to uphold the guiding position of Marxism-Leninism-Mao Zedong Thought.

Practice has proved that only when Marxism has established its guiding position in institutions of higher learning can the socialist school-running orientation be upheld. All party members in institutions of higher learning, especially leading comrades at all levels, should conscientiously study and arm their minds with Marxism.

Unswerving efforts should be taken to carry out education on Marxist basic theory, patriotism, collectivism, socialist ideology, and communist ideal among the vast numbers of teachers, students, and staff. Attention should be paid to education on modern and contemporary histories, as well as national conditions. It is still of great significance to educate and arm the masses with the viewpoints of class, labor, masses, and dialectical materialism.

Efforts should be taken to uphold the guiding position of Marxism in teaching, scientific research, and other academic activities—especially in the fields of philosophy and social science—of institutions of higher learning. It is necessary to integrate the building of specialities with reform of teaching materials; earnestly eliminate the influence of bourgeois liberalization thought; and on this basis, compile a number of teaching materials of high quality. The "double hundred" policy should be adhered to in academic research.

Uphold, constantly improve, and develop socialist educational ideology under the guidance of Marxism.

It is always a fundamental matter who to serve and what kind of people to cultivate. Education in any class society is in the service of its ruling class. Through education, all ruling classes will inevitably exert influence conforming to the interests of their own classes on those being educated, and try every possible means to bring up people to serve their classes in accordance with their own class wills. Negation of the class nature of education and the viewpoint that education is "for the development of man" are pretenses used by the bourgeois class to conceal the class nature of education. Socialism differs from capitalism in nature, and there is an essential difference in the educations of the two classes. The education of the bourgeois class will inevitably aim at bringing up people who serve capitalism and the bourgeois class, while that of socialism will undoubtedly aim at cultivating people who serve socialist modernization and the people.

Socialist ideological education is a concrete embodiment of Marxism in the educational field, and also the ideological foundation of our party in formulating educational principles and policies. In carrying out socialist education, we should uphold both the party's leadership over schools and a correct political orientation, ensuring that schools are run with a socialist nature. In addition, we should also have education serve socialist modernization, and enable our teaching, scientific research, and the students we cultivate to keep abreast of the needs of socialist modernization. We should cultivate builders of and successors to the socialist cause and adhere to the principle of ensuring the moral, intellectual, and physical development of the students, giving top priority to moral education. We should combine education with productive labor and social practice, and cultivate people who can become one with workers and peasants. We must

also gear ourselves to the needs of modernization, having the whole world in mind and the future in view. We must try to do a good job in applying all these socialist educational theories into our educational work. Simultaneously, efforts should also be made to enrich these socialist educational theories through incessant summarization of our practical experience under the guidance of Marxism.

Adherence to the party's leadership, the socialist orientation, and the guidance of Marxism is where the nature, characteristics, and superiority of socialist education lie. There are different inherent rules for educational work under different social systems. We can study and use for reference some useful experiences in education drawn from the development process of other countries. In doing so, however, we should proceed from the realities of our own country, and should by no means copy indiscriminately the experience of others. It is necessary to analyze and criticize bourgeois educational ideology, make a clear distinction between socialist and bourgeois educational ideologies, and enhance the consciousness in adhering to the socialist educational ideology.

3. Vigorously strengthen the building of a Marxist theoretical contingent, and those institutions of higher learning which have possessed necessary conditions should try and run party schools well.

Party organizations at all levels in institutions of higher learning should regard and grasp the building of a Marxist theoretical contingent as an urgent and important task. Major efforts should be devoted to the cultivation of a large number of middle-aged and young Marxist theoretical workers. Party organizations should vigorously create conditions for them and provide them with various training in a well-planned way, so as to help them become mature theoretical workers in the shortest time possible.

The move in which institutions of higher learning run party schools themselves is not an expedient but a significant measure to strengthen their party building. Party schools run by institutions of higher learning are important positions for carrying out Marxist theoretical education; opposing the education of bourgeois liberalization; carrying out education on the party's basic line and knowledge; and bringing up a contingent of backbone elements. In recent years, party schools have been set up one after another in a number of colleges and universities. We should earnestly sum up experience, gradually improve our work, and enhance our level in running party schools on a constant basis.

4. Improve relevant policies and administration systems, and guarantee the guiding position of Marxism in institutions of higher learning.

Policies are formulated to serve principles and, therefore, the former should be consistent with the latter. Through further deepening reform and opening up, and incessantly readjusting and perfecting our concrete policies, we should make concrete policies consistent with

educational principles that guide us in cultivating builders of and successors to the socialist cause. On the basis of earnest study and investigation, educational departments at all levels and institutions of higher learning should, through experimentation and drawing experience, gradually readjust and solve problems that some concrete policies are inconsistent with educational principles. In carrying out reform on higher education. continued efforts should be made to check malpractices existing in the guiding ideology, work, and system of education; and solve problems resulting from weakened ideological and political education in the previous several years. Educational reform is the self-improvement and development of the socialist educational system. Reform should be carried out in a resolute and careful way under the leadership of the party. Experiments should be carried out on major reforms. Fine traditions in higher education which have taken shape over the past 40 years and more should be carried forward and developed during the process of reform. Reform should facilitate adherence to the party's leadership and the socialist orientation, and the cultivation of successors to the socialist cause.

Efforts should be taken to uphold the principle that schools should be run with strict discipline and requirements. The rampancy of bourgeois liberalization thought is the root of the instability in institutions of higher learning. In socialist colleges and universities, no one is allowed to use the campus and rostrums there to disseminate views and remarks, or carry out activities against socialism and the CPC. It is necessary to correctly understand and handle relations between the small environment of schools and the general environment of the society. The small environment of schools is undoubtedly restricted by the general environment of the society. However, if we do a good job in maintaining the former, certain positive impact will be exerted on the latter. We should set higher requirements on schools than on the society in the building of spiritual civilization, and better common practices should be cultivated in the former than in the latter.

III. Vigorously Strengthen the Building of Party Organizations in Institutions of Higher Learning

Lenin once pointed out emphatically when talking about the significance of the organizational building of the proletariat: "The reason why the proletariat can and will inevitably become an invisible force is that its ideological unity formed on the basis of Marxist principles is consolidated by the material unity of organization." ("One Step Forwards, Two Steps Backwards") The fighting capacity of party organizations in institutions of higher learning is acquired not only through the unity of ideological theory on the basis of Marxism, but also through a strong guarantee in organization.

1. Further strengthen the building of leading bodies, and ensure that the leading power of institutions of higher learning is firmly held in the hands of people loyal to Marxism.

In strengthening party building in institutions of higher learning, it is a crucial task to earnestly do a good job in the building of leading bodies. Failure in handling this issue well will lead to the failure in all fields of our endeavor. Therefore, efforts must be made to build the leading bodies of institutions of higher learning into leading collectives which have a firm political stand; possess a fairly high theoretical level of Marxism; have an intimate knowledge of work rules in schools; know how to carry out ideological and political work well; maintain close ties with the masses; enjoy a rational structure; make concerted efforts and work in unity; and maintain a clean and honest administration.

It is necessary to further strengthen the building of ideological style of leading bodies in institutions of higher learning. Leading cadres of institutions of higher learning are urged to conscientiously study Marxism and vigorously enhance their theoretical level and political quality. We should earnestly uphold the principle of democratic centralism; enhance our dedication to the revolutionary cause and our historic responsibility; firm our confidence; press forward in the face of difficulties; and try hard to do our work well. Party organizations at all levels and party members in institutions of higher learning, especially leading cadres who are party members, should further study and implement the spirit of the "Decision of the CPC on Strengthening the Party's Ties With the Masses of the People," maintain close ties with the masses, receive supervision from them, and closely unite with the masses around party organizations, so as to make concerted efforts to fulfill all tasks.

Attention should be paid to strengthening the selection and cultivation of a contingent of reserve cadres, with the focus placed on cultivation. Practical plans for cultivating reserve cadres should be worked out in light of the needs of building leading bodies, as well as with the actual situation of reserve cadres. We should organize reserve cadres to study Marxism in a systematic way, and select a number of outstanding middle-aged and young teachers and cadres to take up certain leading posts, so as to press them forward. Moreover, in accordance with various different conditions, we should send them to study or receive training in grass-roots units, with an aim to enhance their abilities in practice.

With strengthened leading bodies, party organizations of institutions of higher learning should shift their work focus onto the building of party branches. Party branches should earnestly strength the education among, management of, and supervision over party members, and mobilize them to grasp well the mass work. Party members should constantly strengthen their party spirit, conscientiously perform the obligations required of party members, and fulfill various tasks assigned by party organizations.

2. Continued efforts should be made to strengthen the building of a backbone contingent and turn it into a nucleus in our efforts to run well socialist colleges and universities.

The cultivation of talents who are both socialist-minded and vocationally proficient depends on a contingent of

teachers who are both politically conscious and professionally competent. The broad number of teachers in institutions of higher learning have played an important role in imparting knowledge and educating people, as well as in cultivating qualified talents for the building of socialism. While strengthening the building of the contingent of teachers, it is necessary to give full play to the positive role of teachers who are party members. Party organizations in institutions of higher learning should conscientiously implement the party's policy toward intellectuals, respect knowledge and talents, and do a good job of work toward teachers in a down-to-earth manner. At present, efforts should be focused on strengthening the building of a contingent of young teachers, enabling them to become mature both politically and professionally in the shortest time possible.

Party organizations at all levels should attach great importance to the building of a contingent of people who are engaged in party affairs as well as in ideological and political work. This contingent is also a backbone force in strengthening party building as well as ideological and political work in institutions of higher learning. Over a long period of time, these people have worked diligently and conscientiously and immersed themselves in their work, thus making outstanding contributions. They have neither made complaints about their work nor desired any personal fame and gain. Party organizations should attach importance to the enhancement of their political and professional qualities, and show concern over their lives.

It is an urgent task at the present stage to build up a contingent of backbone students, with party members as the core. Party organizations at all levels should, under the prerequisite of guaranteeing quality, do a good job in recruiting party members among students.

I would like to emphasize here that party committees at all levels and party organizations of relevant ministries and commissions directly under the State Council should earnestly strengthen their leadership and guidance over the party's work in institutions of higher learning.

The 70th anniversary of the founding of the CPC is approaching. The birth of the CPC is an unprecedented event in Chinese history. History has attested and will continue to attest to the truth that only under the guidance of Marxism, Leninism, and Mao Zedong Thought and only by keeping to the socialist road with Chinese characteristics can the Chinese nation be rejuvenated and become strong. By holding this national conference on party building in institutions of higher learning on the eve of the 70th anniversary of the founding of the CPC, all party members and the vast numbers of teachers, students, and staff on the higher education front are celebrating with actual deeds the party's birthday. Concentration of efforts on party building in institutions of higher learning is an arduous and glorious strategic task confronting us. Party organizational and leading cadres at all levels, and all party members in institutions of higher learning, should have a clear understanding of the significant historical responsibility we are shouldering, inspire our vigor with determination, make

concerted efforts, strive to open up new prospects in the work of institutions of higher learning, and make greater contributions to China's socialist modernization.

Li Tieying Discloses Changes

HK0907053491 Hong Kong MING PAO in Chinese 9 Jul 91 p 2

[Article by Yeh Tsu (0673 1311): "Li Tieying Discloses That China To Strengthen Political, Ideological Education in Universities"]

[Text] Li Tieying, member of the CPC Central Committee's Political Bureau and minister of the State Education Commission, disclosed recently at a public occasion that there will be major changes in the CPC's higher education.

Above all, political and ideological courses and management will be enhanced in universities. According to Li Tieying's remarks, the lecture platforms cannot be in the hands of the bourgeoisie. Lecturers who refuse to publicize socialism may leave and the students who do not believe in socialism may withdraw. Our universities belong to socialism.

Li said that universities, which will continue to be run with Chinese characteristics, should not be compared with those in the West. The slogan "running the world's first-rate universities" should also not be mentioned. Some educational figures are worried that "backward as they are, they are universities with Chinese characteristics" may suspend China's exchanges with Western universities. At least such exchanges will be reduced or slowed down.

Li Tieying said that the craze of Chinese students applying to study abroad indicates the rivalry between capitalism and socialism for qualified personnel. He hinted that the number of students studying abroad at public expense will be reduced, particularly those studying in Western countries.

Because of the adverse circumstances at home, large numbers of students studying abroad at public expense refuse to return even after finishing their courses. Some have even lost contact with their sponsoring units. These students, who underwent strict political scrutiny, were sent abroad after the 4 June incident.

A student studying in the United States wrote a letter recently to the Education Commission, saying that students refuse to return because it is very difficult for them to make trips abroad. He is willing to go home to serve the motherland if he can leave the country freely.

Besides scientific research, Li Tieying said that postgraduates should spend much time in practicing and tempering themselves at the grass-roots levels and also spend some time studying the works of Marx and Lenin. Apart from handing over theses, they should also be politically and ideologically assessed upon graduation. No degrees shall be conferred if the candidates are not qualified politically and ideologically. The lecturers of postgraduates should be responsible for research as well as ideology. Teachers should be academic and ideological leaders. This indicates that some authoritative professors may be deprived of their qualifications to train postgraduates unless they foster a Marxist-Leninist world outlook like that in the 1950's.

Because of these new, rigid policies, some intellectuals are worried that China's door, which has been opened for 10 years, will be shut again. At present, Li Tieying's speech is being relayed to all the institutions of higher learning.

Books Stress Leftist Ideology

HK0907035991 Hong Kong HONGKONG STANDARD in English 9 Jul 91 p 10

[By Gary Huang]

[Text] China will boost "ultra-leftist" ideology and affirm the correctness of the past four decades of communist rule in a new set of reference books for secondary and primary school students.

The five books, under the title of A Series On the National Condition, are being prepared by the State Education Commission in accordance with a new guideline on moral education.

Sources in Beijing said the guiding tone of the books was ultra-leftist, and they "publicly rehabilitate" the 1966-1976 tumultuous Cultural Revolution and the Great Leap Forward of the late 1950's, an attempt at rapid industrialisation which led to widespread famine in China at the time.

Sun Xuece, a section chief of Elementary Education Department under the State Education Commission, told The HONGKONG STANDARD yesterday the books would be published on September 1 for the next school term.

The Elementary Education Department is also known as the Middle and Primary School Teaching Material Examination and Approval Committee Office.

All senior middle schools throughout China have been instructed to place orders for the books for their students through the official Xinhua Bookstore.

Mr Sun declined to discuss the contents of the books, saying that he had not yet read them.

However, he denied that the books were written and edited by a group of academics organised by the Communist Party's Propaganda Department, or led by Deng Liqun, China's top left-wing ideologist who is said to be heading the Central Leading Group for Education of Cadres.

"The books are organised and edited by our department and published by the People's Education Publishing House," said Mr Sun whose section is responsible for the country's general education. The series includes three historic books entitled Five Thousand Years of Civilised History, History of Modern China and The History of the Republic.

"The books are necessary reading materials for all senior middle school students throughout the country, though they are extra-curricular," Mr Sun said.

The official said the books were aimed at enhancing the students' understanding of the country's history and current condition, and promoting the students' patriotic enthusiasm.

The books were in line with the State Education Commission's guidelines and the history of the republic contained in the books was based on the party's resolution, Decision on Major Historic Events, which was the official interpretation of the historic events since 1949, Mr sun said.

An official from the People's Education Publishing House confirmed that it was publishing the books.

"The series of books are edited by the Elementary Education Department under the State Education Commission and will be published on September 1," he told the HONGKONG STANDARD.

Chinese sources said the books praised the merit of the Great Leap Forward regarding its affect modern technological development and affirmed the necessity of the Cultural Revolution vis-a-vis the current situation in the Soviet Union and Eastern Europe.

Sources said the books seriously negated historical facts and their open criticism of the Soviet Union and Eastern Europe would go against Beijing's current foreign policy.

However, it was suggested that conservative ideologues argued that the books were intended for domestic consumption and therefore should be distanced from foreign policy considerations.

Beijing University President Speaks to Graduates

OW0907145191 Beijing XINHUA in English 1400 GMT 9 Jul 91

[Text] Beijing, July 9 (XINHUA)—Beijing University President Wu Shuqing urged students graduated this year to keep a cool head while contributing their knowledge and talents to the motherland and people, not to act on impulse of sentiments and gradually grow mature politically so as to pass the test in real life.

The president made the remarks at a graduation ceremony at the university today.

He told the more than 2,700 graduates that China's socialist modernization is going on in face of the dual challenges of new technological revolution in the world and "peaceful evolution" attempts in China by capitalist countries. He urged the students to keep a correct orientation politically in such situation.

The president also told the graduates to face the tests of setbacks and successes with a correct attitude while going into the society. Although China has made great achievements in opening to the outside world and reform, he said, a new system has not been established yet and the conflicts of the old and the new will inevitably result in many social contradictions. He expressed the hope that the graduates will adopt an analytical attitude toward everything and increase their capabilities to adapt themselves to and improve the environment.

He thanked the graduates for their warm concern for the educational reform and other work of the university and praised the student for winning the school a high reputation.

Beijing University is one of the most reputed institution of higher learning in China. Over the past 42 years, the university has trained nearly 70,000 students and nearly 10,000 postgraduates.

The president expressed the hope that the graduates will learn from such outstanding personnel as Jiang Zhuying and Lei Yushun who graduated from the university and add to the glory of the university with their achievements.

91-year-old economist Professor Chen Daisun also spoke at the ceremony, telling the students to study ceaselessly and make unremitting efforts to improve themselves, apply what they learn and make their due contributions to the motherland.

It was learned that most of the graduates were satisfied with the work assigned to them. Some of them even volunteered to go to remote areas. More than 100 graduates were cited at the ceremony for their outstanding performances.

Threat To Eject Foreign Students Lifted

HK0807021691 Hong Kong SOUTH CHINA MORNING POST in English 8 Jul 91 p 10

[By Geoffrey Crothall in Beijing]

[Text] Foreign students threatened with expulsion from Beijing University after being accused of inciting the June 4 bottle smashing protest on campus, have now been told they can continue their studies in the next academic year.

The students were told late last week that the university had decided not to expel any foreign student over the June 4 incident but several students have been required to write self criticisms apologising for their actions.

A few students have yet to receive the letters of introduction they need from the university to continue their studies at other schools or obtain a work visa but say this is more likely the result of bureaucratic delay than continued persecution.

"The atmosphere on campus is much more relaxed now that the foreign students office has decided we are not such bad guys after all," one student said yesterday. "I think they realised that expelling foreign students would only create adverse publicity and would ultimately be counter-productive," he said.

"By getting some students to write self-criticisms the university saves face and avoids further confrontation. It's a typical compromise solution," he added.

About 20 foreign students appeared to be facing expulsion after the university launched an intensive investigation into who had been present during the bottle throwing protest at the Chinese post graduate dormitories in the early hours of June 4.

The New China News Agency even went so far as to name seven students from the University of California and a visiting scholar from the University of Leiden as the main troublemakers.

Students complained of harassment by the university authorities and a highly oppressive atmosphere on campus during the investigation.

The investigation coincided with a brief campaign of harassment of foreigners in general by the Public Security Bureau immediately after the second anniversary of the June 4 massacre.

The anti-foreign rhetoric of the official media and government leaders has died down over the last few weeks however as the memory of June 4 slowly fades.

During a press conference before his departure to the Middle East last week, Prime Minister Mr Li Peng was at pains to stress China's friendly relations with the outside world rather than the hostile foreign forces the Chinese Government often accuses of trying to undermine its national integrity.

"I think it is fair to say China is one of the countries with the most friends in the world," Mr Li said.

Commentary on Socialist Orientation of Reform

HK0907143191 Beijing ZHONGGUO XINWEN SHE in Chinese 0829 GMT 5 Jul 91

[Commentary: "Why China's Reform Should Not Deviate From Socialist Orientation"—ZHONGGUO XINWEN SHE headline]

[Text] Beijing, 5 Jul (ZHONGGUO XINWEN SHE)—In the course of leading the people in building their own country, the CPC has made mistakes and also suffered setbacks. Nevertheless, the two milestones erected by the CPC on the land of China are known to all, that is, the socialist system established in the 1950's and the policy of reform and opening up introduced in the 1980's.

The reform and opening up undertaking in the 1980's was aimed at self-improvement of the socialist system and genuinely continuing the socialist reform of the 1950's rather than leading China to the road of a free market economy.

A number of people abroad have misunderstandings on this point.

The first misunderstanding: It was a historical mistake for the Chinese people to choose socialism in the 20th century. If they had pursued the free market economy from the 19th century, China would have become rich long ago and would not necessarily have to introduce the reform today.

For some time, Chinese historians have written many articles focused on this question. Scholars believe that socialism is not something which suddenly came to China one morning. It is the choice of the Chinese people through a century of sacrifices and hard struggle. To save the weak and poverty-stricken motherland, the advanced Chinese elements of the older generation tried to develop a free market economy in China. They did their utmost to learn from the West, only to find painfully that the "teacher" always tried to invade the "student" and that China was always under attack. As a matter of fact, from the opening of the five ports of Shanghai, Guangzhou, Ningbo, Fuzhou, and Xiamen to European traders in 1842, the opening of other ports, and the Sino-British Treaties of 1842 to 1849, China had been developing a free market economy. However, China became poorer. Poverty, humiliation, and accumulated social problems gave rise to social revolution, and eventually the Chinese people chose the Communist Party and the socialist road.

The second misunderstanding: China's reform can have a way out only by following a free market economy. The view of Milton Friedman, noted U.S. economist and monetary authoritarian, is representative. In his report entitled "China's Economy: Problems and Prospects," brought out last June, he pointed out that the key to China's economy lay in "the development of a private free market economy."

This viewpoint is quite popular abroad. For a period of time in the past, some people at home also stuck to this viewpoint. However, an increasing number of economists have unanimously realized that China's reform cannot deviate from socialism and that a free market economy cannot resolve China's actual problems.

Chinese scholars believe that the fundamental question in China is the feeding, clothing, and livelihood of the people in a large country with a population accounting for one-fifth of the world's total. However, the actual situation is: China's population is too large in terms of average resources and the population has grown too fast. Under the conditions of relative shortages of natural resources and capital, to offer as much employment as possible, the situation of "five sharing the jobs and food of three" prevailed in both urban and rural areas. Although this hidden unemployment is not recommendable, it is beyond reproach viewed from the angle of offering employment to laborers and maintaining social stability.

If privatization is introduced, the private entrepreneurs will never tolerate such a state of affairs. To seek exorbitant profits and be competitive, entrepreneurs will try to make two do the work of three and three share the food of two. According to forecasts by experts, if privatization were introduced, at least 30 million workers in China would lose their jobs. As land would be freely traded in the rural areas, some 200 million peasants would lose their land in less than 10 years. As the contingent of workers who had lost their jobs and the peasants who had lost their land could not be absorbed by society, they would naturally become factors in turmoil. Hence, an economic problem would rapidly become a serious political problem.

Some scholars from Hong Kong, Taiwan, or other countries always look at China's problems with indifference. After an on-the-spot investigation of the mainland, they realize that their former views are superficial and unrealistic. After an observation tour of the mainland, a Taiwan economist said that the mainland's economic problems are more complicated than he expected and that the "Taiwan experience" cannot resolve the main-land's problems. With deep feeling, he told his colleagues: It is better not to make any suggestions for the mainland before making any on-the-spot investigation. A Canadian scholar said after his observation tour of China: We cannot find a better system to replace the current one practiced by the central authorities. This is true even viewed from the economic angle. He insisted that privatization would lead to "uneven development" and eventually give rise to social unrest. Some Western scholars with foresight have also pointed out: If China practices privatization as expected by some people in the West, it will give rise to social turmoil, millions of people will lose their jobs, and many refugees will flee the country. It is unlikely that the United States and other Western nations will flaunt their "human rights" banner and receive these refugees. China's social stability constitutes the greatest contribution to world peace.

The social system chosen by a country is determined by its political, economic, and social conditions. China's reform will never deviate from the socialist orientation because practice has repeatedly proved that only socialism can enable the Chinese people to increase economic efficiency, enhance national strength, and ensure the greatest possible social fairness. The Chinese people will continue to follow the road chosen by themselves.

Economic & Agricultural

Machinery Industry Forum on Use of Foreign Funds

OW0407150291 Beijing XINHUA in English 1423 GMT 4 Jul 91

[Text] Shanghai, July 4 (XINHUA)—More than 200 experts and entrepreneurs are in Shanghai to attend a national forum on the introduction of more foreign funds to promote China's machinery industry in the next five years.

An official from the Ministry of Machinery and Electronics Industry said in his speech that the active and steady introduction of foreign funds, especially those introduced by the creation of foreign funded enterprises, will be the major way to promote China's machinery industry.

According to statistics from the ministry, since late 1978 China's machinery industry has introduced more 1.78 billion U.S. dollars of foreign investment and has set up 822 foreign funded enterprises.

In addition, 42 projects involving 300 million U.S. dollars have been contracted to use loans from foreign governments and international financial organizations.

Last year, the 12 foreign-funded machinery enterprises in Shanghai achieved an output value of 560 million yuan (112 million U.S dollars), a profit of 65 million yuan and a foreign currency income worth 31 million U.S. dollars.

Hu Oili Attends

OW0507195991 Shanghai People's Radio Network in Mandarin 0900 GMT 4 Jul 91

[From the "News and Weather" program]

[Text] A national workshop on utilization of foreign capital by the machine-building industry, held in Shanghai today, pointed out: The task facing the machine-building industry is mainly one of improvement of quality, not increase in quantity. Using foreign capital to import technology is an important approach to raising the quality and level of the machine-building industry.

Hu Qili and Bao Xuding, vice ministers of the machinebuilding industry; Gu Chuanxun, vice mayor of Shanghai Municipality; officials of the State Council's departments concerned; and leaders of all provincial, municipal and autonomous region machine-building departments and bureaus were present at the workshop.

At the workshop, Vice Mayor Gu Chuanxun reported on how Shanghai utilizes foreign capital. On behalf of the municipal government, he also welcomed the Ministry of Machine-Building and Electronics Industry's direct participation in the development of Pudong by undertaking construction of some large, high-standard, highly influential projects. In addition, he also welcomed fraternal provinces and cities participating in the development of Pudong by offering local and enterprise storehouses.

In his speech, Vice Minister Bao Xuding noted: Utilization of foreign capital helps us import advanced foreign technology and track the development of advanced foreign technology in order to promote upgrading of products, increase the competitiveness of machinery products at home and abroad, and raise the all-around quality and economic efficiency of enterprises. He also discussed speeding up the utilization of foreign capital.

Zhu Rongji Inspects Provincial Enterprises

Hebei Machinery Plant

SK0307031991 Shijiazhuang HEBEI RIBAO in Chinese 1 Jun 91 p 1

[Text] From 29 to 30 May, Zhu Rongji, vice premier of the State Council, called on staff and workers of the Hebei Xianfeng Machinery Plant in the mountainous area of Hebei Province. He said: The staff and workers of national defense industrial enterprises have the highest awareness among the ranks of the working class. They made great contributions to the people in the course of building the national defense in the past. In the course of readjusting the war industrial enterprises, we should change our concepts, strive to develop civilian-use products in line with market demands, and ensure the quality of products.

Entrusted by Premier Li Peng and with the State Council's concern, Vice Premier Zhu Rongji went to the mountainous area to visit the plant. That same night, he slept at the simple and crude reception center of the plant, bringing warmth to the war industrial fighters who are working in the mountainous area all year round and also arousing their enthusiasm.

In the course of "turning the production of war industrial products into civilian-use products," the plant developed ring spinning frame cradles. Thus, the plant was designated by the Ministry of Textile Industry as one especially for producing the cradle. Zhu Rongji spoke highly of the plant for its achievements in developing civilian-use products and for its fine mental outlook. He also inspected its assembly and model production lines. He also made a speech at a meeting attended by cadres at the workshop head level or above and by representatives of the staff and workers. He said: What should we rely on in order to solve the difficulties in readjusting war industrial enterprises? The key to solving these difficulties hinges on changing ideas. To develop civilian-use products, we should be good at finding markets by ourselves, create our own brands, and inform consumers about us. So, we should study and pioneer markets, grasp information, pay attention to product quality, and provide services after sales. We should bring into play the advantages of the staff and workers and equipment; and give full scope to the staff and workers' ability in upgrading quality, varieties, and efficiency.

Vice Premier Zhu Rongji also inspected the Longjinqiao building art and sculpture company of Quyang County, the Hebei Shengli passenger train manufacturing plant, and the Baoding City Zhongxing cotton mill.

Vice Premier Zhu Rongji was accompanied by Song Shuhua, vice governor of Hebei Province, and responsible comrades of the provincial departments concerned during his inspection in our province.

Hubei Enterprises

OW1007002391 Beijing XINHUA Domestic Service in Chinese 0843 GMT 9 Jul 91

[By reporter Shi Yongfeng (2457 0516 1496)]

[Text] Wuhan, 9 Jul (XINHUA)—During a recent inspection tour of Hubei, Zhu Rongji, vice premier of the State Council, emphasized the need to strengthen the organizational leadership over industrial production, increase market surveys and sales, curb the production of goods in excessive demand, and make determined efforts to clear chain debts in order to achieve rapid and efficient industrial development.

Zhu Rongji and officials of the relevant departments under the State Council conducted a fact-finding tour of a number of large and medium-sized enterprises in Hubei Province from 2 through 7 July. They also visited Hanchuan County to inspect the disaster situation and comfort victims of a torrential rainstorm.

During the inspection, Zhu Rongji repeatedly emphasized the needs to strengthen the organizational leadership over industrial production. He said: In carrying out this year's production work, efforts should be focused on the following three areas: 1) making the "Year of Quality, Variety, and Efficiency" a great success; 2) ensuring a good job in clearing chain debts; 3) studying and implementing measures to invigorate large and medium-sized enterprises. All relevant departments under the State Council and provinces, autonomous regions, and municipalities should coordinate and support each other in achieving a steady and harmonious growth of production.

Zhu Rongji said: In order to raise economic efficiency and stop deficit financing, enterprises should step up market surveys and upgrade technology, energetically readjust their product mix, increase the production of salable goods, and curb the production of goods in excessive demands. Recently the State Council issued a "Circular Concerning Stringent Control Over Enterprises' Continued Production of Goods in Excessive Demand." All localities and departments should work out measures for implementing the circular in accordance with its spirit and the reality of each locality or department.

During the inspection, Zhu Rongji emphatically pointed out: Chain debts have become a major problem impeding the current economic development. In clearing chain debts, we should start with debts originating from investments in fixed assets and examine debts which should be used by creditor units for carrying out capital construction or technological transformation. A pilot project for clearing chain debts is currently being tried out in Liaoning Province. On the basis of Liaoning's experience, the State Council will convene a national work meeting on clearing chain debts and map out overall arrangements. Zhu Rongji said: All provinces, municipalities, and autonomous regions should

begin preparations by selecting key enterprises manufacturing means of production, finding out the real situation between credits and debts, classifying them, locating the origin of debts, and studying ways and means for untying the chain. Chain debts among enterprises manufacturing means of subsistence are rather complicated. Efforts should be made to investigate and find out the real situation, and to guard against the hasty injection of circulating funds to trigger the production of unsalable goods.

Zhu Rongji said: In order to restore the normal production order, it is necessary to rectify the monetary order and firmly enforce discipline in settling accounts. Banks at all levels should strictly impose fines on enterprises which are in arrears for debt payments without a good reason, so as to resolutely stop the evil practice which holds that "debts are justifiable and can produce efficiency."

Zhu Rongji time and again called for attention to rectifying the tendency of emphasizing capital construction while neglecting production. He said: Some enterprise directors are concentrating their energy on carrying out capital construction projects for extending the scale of production, while relaxing the organizational leadership over industrial production and upgrading of technology. Lax internal management of enterprises is a major cause for their current declining efficiency. He said: We must shift our attention to tapping internal potentials for reproduction on an extended scale. Under no circumstances should we abandon the existing production front and start a new structure. In screening projects already under construction, determined efforts should be made to postpone the construction of a few projects so as to pool funds for making the best use of investment and ensuring the completion and operation of key projects.

Zhu Rongji said: The State Council recently issued 11 measures for invigorating large and medium-sized enterprises, all of which have laid a sound foundation for enlivening enterprises. All departments and localities should conscientiously implement these measures. In translating them into concrete action, it is of crucial importance to lighten the burdens on enterprises in accordance with the Marxist principle of reproduction on an extended scale. In accordance with the stipulations of the "Enterprise Law," government departments should not unduly interfere in enterprise management, but should create a healthy mechanism for enterprises to devote their energy to upgrading technology, developing new products, and becoming individually responsible for their profit and deficit in a true sense. The internal management of enterprises has a vital bearing on the invigoration of enterprises. What is crucial here is that enterprise directors and managers should be strict with themselves, impartial and honest, and farsighted in making policy decisions in a democratic and scientific manner. Directors and managers should also manage enterprises strictly so that their quality and performance can be improved. Only by so doing will there be hope for invigorating large and medium-sized enterprises.

Industry Reports Double-Digit Growth

OW0307083191 Beijing XINHUA in English 0732 GMT 3 Jul 91

[Text] Beijing, July 3 (XINHUA)—China's industry reported a double-digit growth in the first half of this year after a slowdown last year, according to a government official here today.

The spokesman for the Production Committee of the State Council said the final figure for industrial growth is yet to be released by the State Statistics Bureau.

During the period the outputs of main raw materials increased steadily—pig iron and steel up by six percent, nonferrous metals by eight percent, chemicals by 9.1 percent, building materials by 12 percent and medicine by 49.4 percent.

Thanks to government support, production of the stateowned enterprises grew at a rapid rate while large and medium-sized enterprises remain the backbone of industry.

The figures for the last five months show that the state-owned enterprises achieved an 8.9 percent growth, and large and medium-sized enterprises reported an average increase of 9.2 percent as compared with the same period last year.

However, industrialists here noted, the economic development in various areas in the first half of the year is not in balance because industrial production grew faster in the areas with a large proportion of light and exportoriented industries. Guangdong reported a 27.1 percent growth, while Jiangsu and Zhejiang reported 18.7 percent and 23.9 percent increases, respectively.

Nevertheless, some areas, such as northeast China with a large proportion of energy and raw materials, reported slow increases. Production grew four to eight percent in Liaoning, Jilin, Heilongjiang and Shanxi Provinces, and Tianjin City.

According to the committee, the machinery and electronics industry, and light and textile industries continued to expand production in the first half of this year. The growth in the machinery and electronics industry is expected to rise by 19 percent.

Industrialists ascribed the growth to three reasons—a low growth rate of 4.1 percent in the first half of last year, more investment by the government in fixed assets and larger bank loans.

Despite the steady growth and improved industrial structure, some serious problems still exist, such as stockpiled products, poor economic results and loan defaults.

Foreign Trade Increases Over 1st 6 Months

OW0607143691 Beijing XINHUA in English 1207 GMT 6 Jul 91

[Text] Beijing, July 6 (XINHUA)—China witnessed an average 17.3 percent increase in both imports and exports during the first half of this year.

The value of imports and exports totaled 57.19 billion U.S. dollars in the past six months, according to China's General Administration of Customs.

Exports reached 30.41 billion U.S. dollars, 18.5 percent more than in the same period of last year, while imports rose by 15.9 percent to reach 26.78 billion U.S. dollars.

Among the exports, processed industrial products accounted for the biggest proportion, and the volume of machinery and electronic products was also on the rise.

According the customs, the growth rates of exports such as cement, steel, coal, medicine and toys all surpassed 20 percent.

Meanwhile, imports of major industrial raw materials have picked up, but imports of consumer goods such as cigarettes, TV sets, motorcycles and cameras have dropped.

Experts say that these figures show that the state's policy to rectify the chronic imbalance in foreign trade is working.

Top-Level Reappointments Made at MOFERT

HK0807045591 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 1102 GMT 6 Jul 91

[Report: "Top-Level Personnel Changes Reported at Ministry of Foreign Economic Relations and Trade"]

[Text] Beijing, 6 Jul (ZHONGGUO TONGXUN SHE)—A series of reorganizations was recently carried out among top-level personnel at the Ministry of Foreign Economic Relations and Trade.

Fifty-three-year-old Wu Yi [0702 0308] was appointed vice minister of the Ministry of Foreign Economic Relations and Trade last month. Prior to this, this woman vice mayor of Beijing Municipality had been in charge of economic, foreign economic relations, and trade matters for Beijing.

Newspapers here also announced the appointments of five assistants to the minister today. Fifty-four-year-old Yu Xiaosong [0205 0879 2646] was director of Beijing's commission on foreign economic relations and trade as well as director of the ministry's foreign investments department; 53-year-old Tian Runzhi [3944 3387 0037] was director of the foreign aid division; 52-year-old Shi Guangsheng [4258 1639 3932] was head of the imports division. Others named assistants to the minister are: 54-year-old Li Guohua [2621 0948 5478] (female) and 50-year-old Liu Shanzai [0491 1472 0961].

The incumbent minister of foreign economic relations and trade is Li Lanqing who took over from Zheng Tuobin this year. The deputy ministers include Shen Jueren and Tong Zhiguang. Former deputy ministers Zhang Haoruo became governor of Sichuan Province three years ago, while Wang Pinqing was named deputy director of the XINHUA News Agency Hong Kong Branch last year.

Vice Minister Removed

OW0907142991 Beijing XINHUA Domestic Service in Chinese 0914 GMT 9 Jul 91

[Text] Beijing, 9 Jul (XINHUA)—The State Council recently appointed and removed some personnel of organs of state.

Zan Yunlong [2501 0061 7893] was appointed vice president of the China National Nuclear Industry Corporation. Shen Jueren was removed from the post of vice minister of foreign economic relations and trade.

Reports on New Tax Law for Foreign Businesses

Taxation Director Speaks

HK0107101591 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 0925 GMT 26 Jun 91

[Report: "State Administration of Taxation Director Jin Xin Says New Income Tax Law Does Not Affect Preferential Policy for Foreign Investors"—ZHONGGUO TONGXUN SHE Headline]

[Text] Hong Kong, 26 Jun (ZHONGGUO TONGXUN SHE)-Jin Xin, director of the State Administration of Taxation, said: The "Income Tax Law Governing Foreign Businesses and Foreign Enterprises" is aimed at standardizing the tax rate, tax-revenue preferential treatment, and tax revenue management. It is based on the premise of not increasing the tax rate and not weakening the preferential treatment; the principle of safeguarding the national interests, serving reform and opening up. and corresponding to national practice; and on the starting point of creating a better investment environment for foreign businesses so that people of all sectors can carry out production and competition in a fairer environment. Therefore, the new tax law, when put into practice, will not affect the preferential treatment for foreign investors on the mainland, and the existing regulations regarding the preferential treatment will remain effective. In view of this, he believed that the new tax law will not have any influence on businesses from Hong Kong, Macao, or Taiwan whatever. He further pointed out that presently some foreign businesses are evading taxes.

Jin Xin said in Hong Kong today: Over the past 10 years, China has obtained great achievements in reform and opening up, in attracting foreign capital, and also in legislation regarding taxation for foreign investment. However, during the process of opening up and reform, new situations are continually emerging. In order to further improve the investment environment and perfect legislation regarding taxation for foreign investment, on 9 April this year, the Fourth Session of the Seventh National People's Congress passed and later promulgated the new "Income Tax Law Governing Foreign Businesses and Foreign Enterprises."

He said: The new tax law has incorporated experience over the years. In addition to the original tax law and regulations encouraging foreign investment, the new tax law retains the original preferential policy. The new law possesses continuity, a scientific nature, rationality, consistency, and transparence, thus being favorable to foreign businesses investing in China.

Moreover, the new tax law has standardized the once unstandardized regulations. In the past, jointly operated enterprises paid a 30-percent income tax and 3-percent local tax, while joint ventures' tax rate ranged from 20 to 40 percent. The two regulations certainly appealed to foreign businesses, but taxes for foreign businesses that use the investment mode of jointly operated enterprise tended to be high. Therefore, in light of international practice, the two regulations have been merged and the rate has been standardized at a 30-percent income tax and 3-percent local tax, and local authorities can levy or deduct the 3-percent local tax according to their actual situations. This is a continually improving process of China's tax law.

Jin Xin continued: There is no change in the preferential treatment in the new law. Some industries and professions, such as productive industries, will continue to benefit from the preferential treatment of "three deductions, two exemptions," while there will be no preferential treatment for some nonproductive projects or those industries that China is already saturated with. This demonstrates that China's tax law is maturing daily.

He said: The new tax law has taken into consideration international practice, such as the inclusion, for the first time, of the practice of preparing for bad debts in advance in financial and leasing sectors, and therefore is more suited to international stipulations.

Jin Xin said: China welcomes foreign investors, and will further strengthen cooperation and exchange with other countries and adopt more modes to attract foreign investment in the next 10 years. The promulgation and practice of the new tax law is good for creating a better investment environment. However, he said: China opposes tax evasion and other illegal practices by which profits are transferred. He said: Of foreign-funded projects in China, the majority behave well. But there are some that evade taxes or use illegal means to transfer profits, and China opposes this. One of the objectives for the promulgation of the new tax law is to fill the loopholes in this respect.

State Council Decree

OW3006142391 Beijing XINHUA Domestic Service in Chinese 0808 GMT 30 Jun 91

[Decree No. 85 of the State Council of the People's Republic of China]

[Text] Beijing, 30 Jun (XINHUA)—The "Detailed Regulations for Implementation of the Income Tax Law for Enterprises Using Foreign Investment and Foreign Enterprises" are hereby promulgated and take effect 1 July 1991.

[Signed] Premier Li Peng

[Dated] 30 June 1991

Regulations Outlined

OW2706182691 Beijing BEIJING REVIEW English No. 25, 24-30 Jun 91 pp 23-27

[Text] Income Tax Law of the People's Republic of China for Enterprises With Foreign Investment and Foreign Enterprises (Adopted at the Fourth Session of the Seventh National People's Congress on 9 April 1991, promulgated by Order No. 45 of the President of the People's Republic of China on 9 April 1991 and effective as of 1 July 1991)

Article 1 Income tax shall be paid in accordance with the provisions of this Law by enterprises with foreign investment within the territory of the People's Republic of China on their income derived from production, business operations and other sources.

Income tax shall be paid in accordance with the provisions of this Law by foreign enterprises on their income derived from production, business operations and other sources within the territory of the People's Republic of China.

Article 2 "Enterprises with foreign investment referred to in this Law means Chinese-foreign equity joint ventures, Chinese-foreign contractual joint ventures and foreign-capital enterprises that are established in China.

"Foreign enterprises" referred to in this Law means foreign companies, enterprises and other economic organizations which have establishments or places in China and engage in production or business operations, and which, though without establishments or places in China, have income from sources within China.

Article 3 Any enterprise with foreign investment which establishes its head office in China shall pay its income tax on its income derived from sources inside and outside China. Any foreign enterprise shall pay its income tax on its income derived from sources within China.

Article 4 The taxable income of an enterprise with foreign investment and an establishment or a place set up in China to engage in production or business operations by a foreign enterprise, shall be the amount remaining from its gross income in a tax year after the costs, expenses and losses have been deducted.

Article 5 The income tax on enterprises with foreign investment and the income tax which shall be paid by foreign enterprises on the income of their establishments or places set up in China to engage in production or business operations shall be computed on the taxable income at the rate of 30 percent, and local income tax shall be computed on the taxable income at the rate of 3 percent.

Article 6 The state shall, in accordance with the industrial policies, guide the orientation of foreign investment and encourage the establishment of enterprises with foreign investment which adopt advanced technology and equipment and export all or greater part of their products.

Article 7 The income tax on enterprises with foreign investment established in special economic zones, foreign enterprises which have establishments or places in special economic zones engaged in production or business operations, and on enterprises with foreign investment of a production nature in economic and technological development zones, shall be levied at the reduced rate of 15 percent.

The income tax on enterprises with foreign investment of a production nature established in coastal economic open zones or in the old urban districts of cities where the special economic zones or the economic and technological development zones are located, shall be levied at the reduced rate of 24 percent.

The income tax on enterprises with foreign investment in coastal economic open zones, in the old urban districts of cities where the special economic zones or the economic and technological development zones are located or in other regions defined by the State Council, within the scope of energy, communications, harbour, wharf or other projects encouraged by the state, may be levied at the reduced rate of 15 percent. The specific rules shall be regulated by the State Council.

Article 8 Any enterprise with foreign investment of a production nature scheduled to operate for a period of not less than ten years shall, from the year beginning to make profit, be exempted from income tax in the first and second years and allowed a 50 percent reduction in the third to fifth years. However, the exemption from or reduction of income tax on enterprises with foreign investment engaged in the exploitation of resources such as petroleum, natural gas, rare metals, and precious metals shall be regulated separately by the State Council. Enterprises with foreign investment which have actually operated for a period of less than ten years shall repay the amount of income tax exempted or reduced already.

The relevant regulations, promulgated by the State Council before the entry into force of this law, which provide preferential treatment of exemption from or reduction of income tax on enterprises engaged in energy, communications, harbour, wharf and other major projects of a production nature for a period longer than that specified in the preceding paragraph, or which provide preferential treatment of exemption from or reduction of income tax on enterprises engaged in major

projects of a non-production nature, shall remain applicable after this Law enters into force.

Any enterprises with foreign investment which is engaged in agriculture, forestry or animal husbandry and any other enterprise with foreign investment which is established in remote under-developed areas may, upon approval by the competent department for tax affairs under the State Council of an application fixed by the enterprise, be allowed a 15 to 13 percent reduction of the amount of income tax payable for a period of another ten years following the expiration of the period for tax exemption or reduction as provided for in the preceding two paragraphs.

After this law enters into force, any modification to the provisions of the preceding three paragraphs of this Article on the exemption from or reduction of income tax on enterprises shall be submitted by the State Council to the Standing Committee of the National People's Congress for decision.

Article 9 The exemption from or reduction of local income tax on any enterprise with foreign investment which operates in an industry or undertakes a project encouraged by the state shall, in accordance with the actual situation, be at the discretion of the people's government of the relevant province, autonomous region or municipality directly under the central government.

Article 10 Any foreign investor of an enterprise with foreign investment which reinvests its share of profit obtained from the enterprise directly into that enterprise by increasing its registered capital, or uses the profit as capital investment to establish other enterprises with foreign investment to operate for a period of not less than five years shall, upon approval by the tax authorities of an application filed by the investor, be refunded 40 percent of the income tax already paid on the reinvested amount. Where regulations of the State Council provide otherwise in respect of preferential treatment, such provisions shall apply. If the investor withdraws its reinvestment before the expiration of a period of five years, it shall repay the refunded tax.

Article 11 Losses incurred in a tax year by any enterprise with foreign investment and by an establishment or a place set up in China by a foreign enterprise to engage in production or business operations may be made up by the income of the following tax year. Should the income of the following tax year be insufficient to make up for the said losses, the balance may be made up by its income of the further subsequent year, and so on, over a period not exceeding five years.

Article 12 Any enterprise with foreign investment shall be allowed, when filing a consolidated income tax return, to deduct from the amount of tax payable the foreign income tax already paid abroad in respect of the income derived from sources outside China. The deductible amount shall, however, not exceed the amount of income tax otherwise payable under this Law in respect of the income derived from sources outside China.

Article 13 The payment or receipt of charges or fees in business transactions between an enterprise with foreign investment or an establishment or a place set up in China by a foreign enterprise to engage in production or business operations, and its associated enterprises, shall be made in the same manner as the payment or receipt of charges or fees in business transactions between independent enterprises. Where the payment or receipt of charges or fees is not made in the same manner as in business transactions between independent enterprises and results in a reduction of the taxable income, the tax authorities shall have the right to make reasonable adjustment.

Article 14 Where an enterprise with foreign investment or an establishment or a place set up in China by a foreign enterprise to engage in production or business operations is established, moves to a new site, merges with another enterprise, breaks up, winds up or makes a change in any of the main entries of registration, it shall present the relevant documents to and go through tax registration or a change or cancellation in registration, with the local tax authorities after the relevant event is registered, or a change or cancellation in registration is made, with the administrative agency for industry and commerce.

Article 15 Income tax on enterprises and local income tax shall be computed on an annual basis and paid in advance in quarterly installments. Such payments shall be made within 15 days from the end of each quarter and the final settlement shall be made within five months from the end of each tax year. Any excess payment shall be refunded and any deficiency shall be repaid.

Article 16 Any enterprise with foreign investment and any establishment or place set up in China by a foreign enterprise to engage in production or business operations shall file its quarterly provisional income tax return in respect of advance payments with the local tax authorities within the period for each advance payment of tax, and it shall file an annual income tax return together with the final accounting statements within four months from the end of the tax year.

Article 17 Any enterprise with foreign investment and any establishment or place set up in China by a foreign enterprise to engage in production or business operations shall report its financial and accounting systems to the local tax must be complete and accurate, with legitimate vouchers as the basis for entries.

If the financial and accounting bases adopted by an enterprise with foreign investment and an establishment or a place set up in China by a foreign enterprise to engage in production or business operations contradict the relevant tax provisions of the State Council, tax payment shall be computed in accordance with the relevant tax provisions of the State Council.

Article 18 When any enterprise with foreign investment goes into liquidation, and if the balance of its net assets or the balance of its remaining property after deduction of the enterprise's undistributed profit, various funds and liquidation expenses exceeds the enterprise's paid-in

capital, the excess portion shall be liquidation income on which income tax shall be paid in accordance with the provisions of this Law.

Article 19 Any foreign enterprise which has no establishment or place in China but derives profit, interest, rental, royalty and other income from sources in China, or though it has an establishment or a place in China, the said income is not effectively connected with such establishment or place, shall pay an income tax of 20 percent on such income.

For the payment of income tax in accordance with the provisions of the preceding paragraph, the income beneficiary shall be the taxpayer and the payer shall be the withholding agent. The tax shall be withheld from the amount of each payment by the payer. The withholding agent shall, within five days, turn the amount of taxes withheld on each payment over to the State Treasury and submit a withholding income tax return to the local tax authorities.

Income tax shall by exempted or reduced on the following income:

- (1) the profit derived by a foreign investor from an enterprise with foreign investment shall be exempted from income tax:
- (2) income from interest on loans made to the Chinese government or Chiense state banks by international financial organizations shall be exempted from income tax:
- (3) income from interest on loans made at a preferential interest rate to Chinese state banks by foreign banks shall be exempted from income tax; and
- (4) income tax of the royalty received for the supply of technical know-how in scientific research, exploitation of energy resources, development of the communications industries, agricultural, forestry and animal husbandry production, and the development of important technologies may, upon approval by the competent department for tax affairs under the State Council, be levied at the reduced rate of 10 percent. Where the technology supplied is advanced or the terms are preferential, exemption from income tax may be allowed.

Apart from the aforesaid provisions of this Article, if preferential treatment in respect of reduction of or exemption from income tax on profit, interest, rental, royalty and other income is required, it shall be regulated by the State Council.

Article 20 The tax authorities shall have the right to inspect the financial, accounting and tax affairs of enterprises with foreign investment and establishments or places set up in China by foreign enterprises to engage in production or business operations, and have the right to inspect tax withholding of the withholding agent and its payment of the withholding agents being inspected must report the facts and provide relevant information. They may not refuse to report or corceal any facts.

When making an inspection, the tax officials shall produce their identity documents and be responsible for confidentiality.

Article 21 Income tax payable according to this law shall be computed in terms of Renminbi (RMB). Income in foreign currency shall be converted into Renminbi according to the exchange rate quoted by the state exchange control authorities for purposes of tax payment.

Article 22 If any taxpayer fails to pay tax within the prescribed time limit, or if the withholding agent fails to turn over the tax withheld within the prescribed time limit, the tax authorities shall, in addition to setting a new time limit for tax payment, impose a surcharge for overdue payment, equal to 0.2 percent of the overdue tax for each day in arrears, starting from the first day the payment becomes overdue.

Article 23 The tax authorities shall set a new time limit for registration or submission of documents and may impose a fine of 5,000 yuan or less on an taxpayer or withholding agent which fails to go through tax registration or make a change or cancellation in registration with the tax authorities within the prescribed time limit, fails to submit income tax return, final accounting statements, or withholding income tax return to the tax authorities within the prescribed time limit, or fails to report its financial and accounting systems to the tax authorities for reference.

Where the tax authorities have set a new time limit for registration or submission of documents, they shall impose a fine of 10,000 yuan or less on the taxpayer or withholding agent which again fails to meet the time limit for going through registration or making a change in registration with the tax authorities, or for submitting income tax return, final accounting statements or withholding income tax return to the tax authorities. Where the circumstances are serious, the legal representative and the person directly responsible shall be investigated for criminal responsibility, by applying mutatis mutandis the provisions of Article 121 of the Criminal Law.

Article 24 Where the withholding agent fails to fulfill its obligation to withhold tax as provided in this Law, and does not withhold or withholds an amount less than that should have been withheld, the tax authorities shall set a time limit for the payment of the amount of tax that should have been withheld, and may impose a fine up to but not exceeding 100 percent of the amount of tax that should have been withheld.

Where the withholding agent fails to turn the tax withheld over to the State Treasury within the prescribed time limit, the tax authorities shall set a time limit for turning over the taxes and may impose a fine of 5,000 yuan or less on the withholding agent; if the withholding agent fails to meet the time limit again, the tax authorities shall pursue the taxes according to law and may impose a fine of 10,000 yuan or less on the withholding agent. If the circumstances are serious, the legal representative and the person directly responsible shall be investigated for criminal responsibility by applying mutatis mutandis the provisions of Article 121 of the Criminal Law.

Article 25 Where any person evades tax by deception or concealment or fails to pay tax within the time limit prescribed by this Law and, after the tax authorities pursued the payment of tax, fails again to pay it within the prescribed time limit, the tax authorities shall, in addition to recovering the tax which should have been paid, impose a fine up to but not exceeding 500 percent of the amount of tax which should have been paid. Where the circumstances are serious, the legal representative and the person directly responsible shall be investigated for criminal responsibility in accordance with the provisions of Article 121 of the Criminal Law.

Article 26 Any enterprise with foreign investment, foreign enterprise or withholding agent, in case of a dispute with the tax authorities on payment of tax, must pay tax according to the relevant regulations first. Thereafter, the taxpayer or withholding agent may, within 60 days from the date of receipt of the tax payment certificate issued by the tax authorities, apply to the tax authorities at the next higher level for reconsideration. The higher tax authorities shall make a decision within 60 days after receipt of the application for reconsideration. If the taxpayer or withholding agent is not satisfied with the decision, it may institute legal proceedings in the people's court within 15 days from the date of receipt of the notification on decision made after reconsideration.

If the party concerned is not satisfied with the decision on punishment by the tax authorities, it may, within 15 days from the date of receipt of the notification on punishment, apply for reconsideration to the tax authorities at the next higher level than that which made the decision on punishment. Where the party is not satisfied with the decision made after reconsideration, it may institute legal proceedings in the people's court within 15 days from the date of receipt of the decision made after reconsideration. The party concerned may, however, directly institute legal proceedings in the people's court within 15 days from the date of receipt of the notification on punishment. If the party concerned does not apply for reconsideration to the higher tax authorities or institute legal proceedings in the people's court within the time limit, and if the decision on punishment is not fulfilled, the tax authorities which made the decision on punishment may apply to the people's court for compulsory execution.

Article 27 Where any enterprise with foreign investment which was established before the promulgation of this Law would, in accordance with the provisions of this Law, otherwise be subject to higher tax rates or enjoy less preferential treatment of tax exemption or reduction than before the entry into force of this Law, in respect to such enterprise, within its approved period of operation, the law and relevant regulations of the State Council in effect before the

entry into force of this Law shall apply. If any such enterprise has no approved period of operation, the law and relevant regulations of the State Council in effect before the entry into force of this Law shall apply within the period prescribed by the State Council. Specific rules shall be regulated by the State Council.

Article 28 Where the provisions of the tax agreement concluded between the government of the People's Republic of China and foreign governments are differnt from the provisions of this Law, the provisions of the respective agreement shall apply.

Article 29 Rules for implementation shall be formulated by the State Council in accordance with this Law.

Article 30 This Law shall enter into force on July 1, 1991, the Income Tax Law of the People's Republic of China for Chinese-Foreign Equity Joint Ventures and the Income Tax Law of the People's Republic of China for Foreign Enterprises shall be annulled as of the same date.

Appendix:

The Relevant Articles in the Criminal Law

Article 121 In case of tax evasion or refusal to pay taxes in violation of tax laws and regulations, if the circmstances are serious, the taxpayer shall be ordered to pay the tax due and may be fined in accordance with the tax laws and regulations; the person directly responsible shall also be sentenced to fixed-term imprisonment of not more than three years or criminal detention.

Economic Cooperation Seen Along Yellow River

OW0307052691 Beijing XINHUA in English 0141 GMT 3 Jul 91

[Text] Jinan, July 3 (XINHUA)—Provinces and autonomous regions along the Yellow River are strengthening their co-operation in order not to lag to far behind in China's opening process.

Since 1986 Qinghai, Gansu, Shaanxi, Shanxi, Henan and Shandong Provinces, and the Ningxia Hui and Inner Mongolia autonomous regions have carried out effective co-operation in fields such as exchanges of goods and materials, lending and borrowing of funds, circulation of commodities and tourism.

Furthermore, Henan, Shaanxi and Shandong Provinces and Qingdao City jointly held a foreign economic and trade fair in late June. The 10-day fair realized a total of 370 million U.S. dollars in business volume. All of the sponsors were satisfied with the results achieved at the fair, officials in charge of the fair told XINHUA.

This co-operation has injected great vigor into the development of economy and trade in the area.

Statistics from Henan, Shaanxi and Shandong show that last year, the three provinces earned 4.8 billion U.S. dollars from exports and approved the establishment of 1,300 joint-venture, co-operative and solely foreign-invested enterprises. The three provinces have also established steady relations of trade and economic co-operation with some 30,000 overseas businesses from 160 countries.

Qin Kecai, deputy governor of Henan, attributed the rapid development of his province over the past few years to trans-regional co-operation along the Yellow River.

The Yellow River valley not only has rich raw material, agricultural and energy resources, but is also strong in electronics and machinery industries.

"We can get greater economic results only by using these advantages to form a rational economic structure and regional cooperation within the Yellow River basin," said the deputy governor.

Zheng Silin, deputy governor of Shaanxi, said he believes that to see a bigger improvement in the economic structure along the Yellow River, the most important thing to do is to let the "artery" of the Yellow River economy be unimpeded by provincial restrictions.

Zhao Zhihio, governor of Shandong, said that, as one of the fairly well developed provinces in China, Shandong has the duty to help the undeveloped provinces along the Yellow River.

Officials from Qinghai Province and Inner Mongolia believe that equal and earnest co-operation is the right choice for the Yellow River basin's further development.

East Region

Lu Rongjing at Anhui Party Anniversary Meeting OW0907222291 Hefei ANHUI RIBAO in Chinese 2 Jul 91 p 3

[By Jiang Haibo (3068 3189 3134): "Steadfastly Advance Toward Our Fighting Goal: Provincial Party Committee Holds Solemn Meeting to Mark the 70th Anniversary of the Founding of the CPC"]

[Text] The Anhui Provincial CPC Committee held a grand rally in Hefei yesterday to mark the 70th anniversary of the CPC's founding.

The rally proceeded in a warm and ceremonious atmosphere. Hanging high in the middle of the rostrum's backdrop was a golden hammer-and-sickle insignia flanked by ten red flags—five on each side—and the numerals "1921-1991," which indicate the 70-year glorious course the CPC has traversed. Facing the rostrum was a huge banner with these characters: "Long Live the Great, Glorious, and Correct Communist Party of China!"

The rally was imbued with the spirit of solidarity between the party and the masses, and between military and civil authorities.

Comrades Lu Rongjing, Fu Xishou, Meng Fulin, Wang Guangyu, Shi Junjie, Hou Yong, Liu Guangcai, Zhao Baoxing, Wang Shengjun, Shi Lei, and Shaoming were seated at the rostrum.

Present at the rally were leading comrades of the provincial party committee, the provincial advisory commission, the provincial people's congress standing committee, the provincial people's government, the provincial committee of the Chinese People's Political Consultative Conference, the provincial discipline inspection commission, and the provincial military district; some retired veteran comrades; representatives of advanced grass-roots party organizations and outstanding Communist Party members from various prefectures, cities, and provincial organs; and party members, cadres, officers and men from provincial units, universities in Hefei, and arread police units, totalling more than 1,700 people.

At 0900, Comrade Fu Xishou declared the beginning of the rally. When Comrade Lu Rongjing spoke, he was warmly applauded many times.

Lu Rongjing said: Our objective in gathering here today to mark the brilliant 70th anniversary of the CPC's foudning is to inherit and carry forward the party's fine traditions, mobilize all Communist Party members and people in Anhui to work hard under the leadership of the party Central Committee with Comrade Jiang Zemin as the core to achieve the second-step strategic objective set by the Seventh Plenary Session of the 13th CPC Central Committee and the Fourth Session of the Seventh National

People's Congress, and make new contributions to the building of a Chinese-style socialist society!

After reviewing the brilliant course the CPC has traversed, Lu Rongjing pointed out: The 70-year history has proved that the CPC is a party armed with Marxism-Leninism-Mao Zedong Thought, a party which takes the initiative in its own hand and which is imbued with a revolutionary and creative spirit, a party which maintains close ties with the masses and has carried out constant struggles and made the greatest sacrifice for the the fundamental interests of the Chinese people, and a party which has upheld truth, corrected its mistakes, gone through tests of victories and frustrations, and remained undefeated by any enemy and difficulty. It remains strong during tribulations. The tempering has in fact made it even stronger. It really has lived up to its reputation as a great, glorious, and correct party. Only the CPC can lead the people to save China, and China can regenerate only by adhering to the socialist course under the CPC leadership.

Lu Rongjing pointed out: Our party and our country are now in a crucial period of development. Our party has a lot of work to do, and we must make protracted, unremitting efforts before we can solve those major issues concerning party construction during the new period. First—and this is the most fundamental requirement—we must educate the vast number of party members and help them understand the party's basic line fully and thoroughly so as to heighten their awareness of carrying out the party's basic line and following the socialist course with distinctive Chinese characteristics. Second, we must firmly intensify the party's ideological and theoretical construction and strive to improve party members' proficiency in Marxism. Third, we must educate all party members to bear firmly in mind our party's objective, namely serving the people wholeheartedly. Fourth, we must attach great importance to establishing strong leading groups. Fifth, we must work persistently in building stronger grass-roots party organizations. Sixth, we must continue to improve inner party political life.

[Text] Lu Rongjing stressed: The next decade will be a period crucial to Anhui's development. The responsibility of leading the people in the province to achieve the second-step strategic objective has fallen on the shoulders of all party organizations. We must fully realize our responsibility. While we set our sights on long-range goals, we must attend to the work confronting us now and make earnest efforts to accomplish our jobs in various fields. The urgent task at hand is to fight floods. We must further intensify party leadership of the people and count on them to seize final victories in fighting floods. Meanwhile, we must take advantage of the actual tests of this struggle and build our party organizations into stronger organizations.

Lu Rongjing concluded: The mission of building a Chinese-style socialist society under the CPC leadership is a magnificient and formidable one, and we will inevitably encounter all types of difficulties which can only be dealt with by waging arduous and protracted struggles against

them. Under the leadership of the party Central Committee with Comrade Jiang Zemin as the core, we will rally and lead the vast number of cadres and people to work with higher morale, make concerted and determined efforts, wage arduous struggles, head firmly toward our goal, and make unceasing efforts to win new victories!

Comrade Lu Rongjing's speech was interrupted by prolonged and thunderous applause (ANHUI RIBAO will publish the text of Comrade Lu Rongjing's speech).

Comrade Meng Fulin read the "Decision of the Anhui Provincial CPC Committee on Commending Advanced Grass-Roots Party Organizations and Outstanding Communist Party Members."

The meeting presented awards to 10 red flag grass-roots party organizations, including the Xinzhongcun Party Branch in Shitai County's Dingxian Town, 87 other advanced grass-roots party organizations, and 228 outstanding Communist Party members.

The rally ended victoriously amid the solemn strains of "Internationale" at 1030.

Fujian's Chen Guangyi Sends Letter to Meeting

HK0907145291 Fuzhou Fujian People's Radio Network in Mandarin 1000 GMT 4 Jul 91

[Text] Provincial party committee Secretary Chen Guangyi, who is presently attending a meeting in Beijing, has sent a letter to today's provincial aquatic products industry work meeting.

In his letter, Chen Guangyi put forward the following four requirements with regard to speeding up the development of our provincial aquatic products industry in the future:

- 1. To earnestly and firmly grasp the aquatic products industry as a superior industry and adopt forceful measures to guarantee the development of the aquatic products industry through ideological mobilization, organizational leadership, institutional establishment, policies, funds, and so on:
- 2. To seek development by relying on advanced science and technology [S&T], firmly cultivate a mentality of developing the aquatic products industry through advanced S&T, give full play to the existing S&T force in the aquatic products industry, concentrate on building projects which bear heavily on fishery production, build a number of model bases where fishery is developed through advanced S&T, and closely integrate the popularization of S&T achievements with the implementation of the Spark Program, the Harvest Program, and the Prairie Fire Program so as to shape scale production and generate new productive forces;
- To strongly develop the export-oriented aquatic products industry, lay equal emphasis on increasing output and improving quality, develop a batch of quality and

high-grade aquatic products, build a batch of exportoriented, internationally competitive, and quality commodity production bases in a planned and selective way, guarantee a steady increase in export-oriented aquatic products, actively invite foreign funds as well as advanced technology and equipment, build enterprises run with foreign capital, Overseas Chinese capital, and both Chinese and foreign capital, develop foreign-related cooperation projects, accelerate deep-sea fishery development, and organize labor and technology export in a unified way. All levels and all departments concerned must give unreserved support to the development of the export-oriented aquatic products industry:

4. To infuse the aquatic products industry with fresh vitality through in-depth reform. On the premise of stabilizing basic aquatic products industrial policies, we must strengthen management, smooth out relations, and improve external conditions for aquatic products industry development, establish and perfect relevant pre- production, inproduction, and post-production service networks as well as a service system intended to facilitate socialization of the aquatic products industry, and further perfect the existing input mechanism with a view to guiding fishermen to increase their input. Furthermore, we must improve infrastructural facilities, strengthen development stamina, and ensure a long-term and steady development of the aquatic products industry.

Jiangsu's Shen Daren at Flood Control Meeting

OW0907223191 Nanjing Jiangsu People's Radio Network in Mandarin 0915 GMT 7 Jul 91

[Text] This afternoon, the provincial CPC committee held a meeting attended by department heads and bureau chiefs at the provincial level and above. The purpose of the meeting was to urgently mobilize provincial-level organs to energetically participate in current flood fighting and flood relief struggles. At the meeting, provincial organs were urged to help areas and the masses affected by disaster resume industrial and agricultural production and rebuild homes as soon as possible, reduce flood related losses to a minimum, and strive to fulfill this year's national economic plan.

Governor Chen Huanyou briefed the meeting on flooding, flood fighting, and flood relief in our province. He said: The current flood has seriously affected our province's national economy and caused severe losses to the province's industrial and agricultural production and to the lives and properties of the people. Faced with such a serious disaster, the provincial CPC committee and the provincial government have convened several meetings, analyzed the situation, studied countermeasures, and made concrete arrangements for flood fighting and flood relief work in the province.

The broad masses of grass-roots cadres and party members are fighting alongside the masses at the forefront of the struggle against flooding. A large number of moving deeds by flood fighting cadres and party members have occurred. Units of the PLA [People's Liberation Army]

stationed in Jiangsu and of the people's armed police have dispatched 30,000 to help fight floods. The masses made heartfelt remarks: The Communist Party is good; the people's government is good; and the PLA is good.

Shen Daren, secretary of the provincial CPC committee, pointed out at the meeting: We should fully recognize the gravity of the current flood situation. Never in nearly a century has our province been hit with a natural disaster whose seriousness, scope, duration, and the damages it has caused comparable to this; the kind of disaster in which we now find ourselves has been rarely recorded in history. Flood fighting and flood relief work is currently the overriding and central task in our province. It is a big event which concerns the safety of people's lives and property and political, economic, and social stability.

Shen Daren called on all departments and units of the provincial organs to immediately mobilize all cadres to participate in the fight against flooding and in flood-relief. He said that everything must be subordinated to serve this central task. He especially stressed: Provincial organs must not treat the work of flood fighting and flood relief as a matter of no concern or must not just stand by. They must not interfere with manpower distribution or with flood fighting and flood relief work. We should genuinely improve our work style and enthusiastically offer services to disaster-hit areas, grass-roots units, and the masses.

Comrade Shen Daren concluded: If all party and people can effect an urgent mobilization, fully motivate the masses, unite with one heart and one mind, and work hard, we will surely reduce losses caused by the disaster to a minimum and win in the fight against flooding and in flood relief work.

Some 400 responsible persons from the provincial CPC committee, provincial people's congress, provincial government, provincial CPPCC [Chinese People's Political Consultative Conference], provincial discipline inspection commission, provincial military district, different levels of organs, departments, commissions, offices, and the Nanjing City CPC Committee attended the meeting.

Shandong Law on Unions in Foreign-Funded Firms

OW1007032391 Beijing XINHUA in English 0122 GMT 10 Jul 91

[Text] Jinan, July 10 (XINHUA)—Special regulations on trade unions in overseas-funded enterprises came into force in east China's Shandong Province Tuesday, Wang Huaiyuan, chairman of the Shandong Provincial Trade Union Council, disclosed at a news conference held in Jinan on July 9.

The regulations were developed to protect the legal rights of workers, entrepreneurs and investors, he said.

The promulgation of the regulations marks the age when the administration of overseas-funded ventures is fully done through legal procedures in the province, Qi noted. The official remarked that the new local law is aimed at mobilizing workers, entrepreneurs and investors from overseas-funded firms to join hands to promote production.

According to the regulations, any overseas-financed venture in the province must establish a trade union within six months of becoming operational.

The trade union should act to make the workers aware of the concerned state laws, regulations, and rules as well as the legal rights of the investors, Qi said.

The official expressed his belief that the new regulations will serve to improve the environment for overseas investment, and consequently to promote Shandong Province's efforts to open to the outside world.

According to official statistics, by the end of last year, the provincial government had approved the founding of 1,100 overseas-funded firms. Among these firms, 470 are operational but only 120 have set up trade unions.

Shandong Teleconference on Economic Work

SK1107030891 Jinan Shandong People's Radio Network in Mandarin 2200 GMT 10 Jul 91

[Text] The provincial government held a telephone conference on the evening of 10 July to summarize the province's economic work in the first half of this year, to analyze the problems in the current economic operation, and to put forward the work targets for the second half of this year. Provincial Vice Governor Ma Shizhong emphasized in his speech that to be successful in economic work for the second half of this year, we should conscientiously study and implement the guidelines of Comrade Jiang Zemin's speech given at the rally marking the 70th anniversary of the founding of the party, further shift the work focus to the improvement of economic efficiency, lift spirits, expand our measures, and strive to fulfill the various work tasks for this year as decided on at the provincial People's Congress.

After summarizing and analyzing the achievements and problems in the agriculture, industry, market sales, key construction projects and foreign economic relations, and trade in the first half of this year, Ma Shizhong pointed out: In carrying out specific work, we should continue to give attention to the targets decided on by the provincial party committee and government earlier this year. In agriculture, we should make good preparations against drought and waterlogging after reaping a good summer grain harvest, achieve good harvests by combating disasters, and strive for good harvests in the entire year, in all fields of production and in all localities of the province so that agriculture can be brought up to a new stage. In the circulation of commodities, we should seize the opportunity of the market upswing to strengthen our sales measures and, in particular, open up the rural market. In foreign economic relations and trade, we should change the downturn in the purchases of export products, adopt every means to fulfill or

overfulfill this year's export and foreign exchangeearning targets, and ensure that deficits are avoided. In science and technology, we should emphasize the dissemination and application of scientific research achievements and pay attention to the implementation of the plan for achieving a leap in the technological progress of enterprises and to the planning and construction of high- and new-tech development zones.

Ma Shizhong pointed out: In all current economic work, the many difficulties and contradictions in industrial production remain. A success in resolving these contradictions is the key to ensuring the normal operation of the national economy.

Ma Shizhong particularly put forward seven requirements for industrial production for the second half of this year.

First, we should do a better job in providing support measures and implementing policies. In general, the 11 policies on invigorating enterprises issued by the State Council and the 20 policies issued by the province have been implemented well. However, the implementation of the two policies on checking the unauthorized collection of fares, fines, and donations and on cleaning up debt chains leaves something to be desired. In the second half of this year, all localities and all departments should adopt effective measures to ensure down-to-earth implementation of the policies already in effect. We should learn from experiences in the rural socialized service system to conscientiously probe ways to strengthen the function of urban socialized service. While providing enterprises with a good external environment, we should base the endeavor to invigorate enterprises on strengthening the management of enterprises and lead enterprises to improve their own skills, tap their own potential and rely on their own efforts to invigorate themselves.

Second, we should adopt effective measures to achieve success in cleaning up debt chains. We should organize special bodies to clearly investigate where the chains come from and go and start from the origin to break them. Regarding the overdue payment for the purchases of goods, especially the payment delayed on purpose, banks should take the initiative in making deductions and forcible transfer of the money of the units involved and collect overdue fines from them.

Third, we should adjust product mix in a selective manner. Enterprises suffering serious deficits due to sluggish sales and stockpiles of products should have their production limited or suspended. They should never be allowed to continue their production.

Fourth, we should strengthen management and pay close attention to the work to put an end to deficits and increase profits. The focus should be placed on large profit-making enterprises and large loss-making enterprises. We should sustain the former and help the latter so as to encourage the vast majority to move along. We should suspend the production of the enterprises which cannot possibly eliminate their deficits within a short period of time due to a long

period of poor management and order them to make improvement within a given time. The responsibility system should be implemented at every level to help major enterprises suffering large deficits put an end to their deficits and increase profits. The province prepares to particularly help enterprises whose deficits exceed 3 million yuan until they make profits.

Fifth, we should make great efforts to promote the technological progress of enterprises. We should include the projects of a wide market and high efficiency in our development plans and arrange their development funds on a priority basis. With an aim toward producing brand-name and good-quality products and key products, we should coordinate development projects with technical transformation projects and see to it that economic commissions ensure the plans for key projects, banks ensure the funds for them and the departments in charge of enterprises ensure their implementation.

Sixth, we should make conscientious efforts to achieve success in checking the unauthorized collection of fares, fines, and donations. We should further enhance our understanding, strengthen leadership, and never work out measures without implementing them. The province prepares to make public in the near future another group of fares, fines, and donations to be abolished. Those who refuse to carry out orders and prohibitions and continue to create new fares, fines, and donations should be dealt with strictly.

The seventh requirement put forward by Ma Shizhong was to strengthen leadership over economic work and conscientiously carry out the work for the second half of this year.

Provincial Vice Governor Wang Jiangong presided over the telephone conference.

Shandong First-Half Economic Statistics

SK1007044091 Jinan Shandong People's Radio Network in Mandarin 2200 GMT 9 Jul 91

[Text] During the first half of this year, our province conscientiously organized production in industry, communications, finance, and trade in the light of invigorating large and medium-sized enterprises and carrying out "quality, variety, and efficiency year" activities, and enabled the production situation to develop on a good trend.

Our province's industrial production increased steadily during the first half of this year. The total industrial output value of the province reached 127.95 billion yuan, an increase of 17.2 percent over the same period last year. The output value of industrial enterprises at and above the township level totalled 90.84 billion yuan, an increase of 12.5 percent over the same period last year. Judging from the situation in the whole country, our province's total industrial output value was lower than Jiangsu's and Guangdong's, ranking third. Judging from the provincial situation, the industrial growth rate of some cities and prefectures, including Zibo, Zaozhuang, Yantai, Weifang, Jining, Taian,

Weihai, Rizhao, Huimin, Linyi, and Heze, was above 10 percent. The output and quality of major products improved steadily. Of the province's 30 major products under management, the output of 23 of them increased over the same period last year. Of this, the production of television sets, power generation, crude oil processing, agricultural chemicals, sulphuric acid, mineral ores, tractors, motor vehicles, and cement all showed an increase of more than 10 percent. Of the 2,230 products specially examined by the province, 92 percent were of improved quality, showing an increase of 2.5 percentage point over the same period of last year. The output value rate of quality products reached 22.3 percent, up 0.8 percentage point.

During the first half of this year, market sales were fairly good. The total retail sales of products were valued at 31.94 billion yuan, an increase of 16.3 percent over the same period last year. Communications, post, and telecommunications were steadily developed. The financial revenue of the whole province reached 5.61 billion yuan. up 5.9 percent over the same period of last year. Although our province made fairly good achievements in production in industry, communications, finance, and trade during the first half of this year, the existing problems, however, must not be neglected. These problems were mainly manifested in the serious overstock of finished products. During the first half of this year, funds tied up by finished products turned out by the budgetary state industrial enterprises totalled 6.792 billion yuan, an increase of 1.41 billion yuan over the same period last year, or an increase of 26.3 percent. The turnover period of funds was 5.3 days shorter. According to statistics, at present, the ratio of our province's products enjoying brisk sales, products whose sales are up to the average. and unsalable products is 30 to 40 to 30. Products such as nitrogenous fertilizer produced by small nitrogenous fertilizer plants, printing and dyeing cloth, woolen fabrics, woolen blankets, machine-made paper, and wrist watches were overstocked.

Debt chains showed an increase instead of a decrease; the efficiency for the use of funds was poor. Statistics obtained from 2,046 state industrial enterprises showed that their debt chains reached 20.41 billion yuan and that their economic efficiency remained poor. During the first half of this year, the profits and taxes created by the budgetary state industrial enterprises reached 2.207 billion yuan, a decline of 4.2 percent from that of the same period last year. The number of enterprises running in the red and the amount of deficits also increased.

Foreign Trade Surplus

SK1107074391 Jinan Shandong People's Radio Network in Mandarin 2200 GMT 10 Jul 91

[Text] Following Shandong's development in foreign economic relations and trade in both quality and range, the imports and exports through Shandong's ports have increased substantially. A fairly great surplus has emerged in the province's foreign trade. According to the latest statistics of the Qingdao customhouse, 11.03 million tons of goods had been imported and exported by the end of June, up 14 percent from the corresponding period last year. The total value of the imported and exported goods came to \$3.11 billion, of which the value of exported goods was \$1.87 billion, up 16 percent from the corresponding period last year and \$630 million more than imports.

From January to June this year, the ordinary trade of Shandong's ports developed in a stable manner, and the trade in the form of processing developed rapidly. A total of \$140 million worth of finished products produced with materials supplied by foreign firms and \$460 million worth of finished products produced with imported materials were exported, up 90 and 27 percent, respectively, over the corresponding period last year.

The mix of commodities exported through Shandong's foreign trade ports was notably improved this year. The proportion of manufactured goods accounted for more than 50 percent and their volume reached 986 million yuan, up by more than 25 percent. The amount of textile goods, garments and machinery, and elelctric products showed a substantial increase and that of primary products declined. The imports and exports of the ten major trade partners of Shandong—Japan, U.S., South Korea, Hong Kong, Singapore, Australia, German, the Netherlands, Italy and the Soviet Union—accounted for nearly 80 percent of the total. A number of new trade partners also took great interest in imports from Shandong.

Shanghai's Wu Bangguo Meets Anhui's Lu Rongjing OW 1007064891 Hefei ANHUI RIBAO in Chinese 30 Jun 91 p 1

["Strengthen Ties, Enlarge Cooperation, Support the Development of Pudong, Work for Common Progress: Party, Government Delegation of Our Province Goes to Shanghai on a Tour of Inspection; Lu Rongjing, Fu Xishou, Wu Bangguo, and Huang Ju Hold Talks; by reporter Jiang Haibo (3068 3189 3134)"—ANHUI RIBAO headline]

[Text] A party and government delegation of our province, headed by Secretary Lu Rongjing and Deputy Secretary and Governor Fu Xishou, went to Shanghai on a tour of inspection from 23 to 27 June.

During its stay in Shanghai, the delegation was warmly welcomed and received by the Shanghai Municipal Party Committee and People's Government.

Wu Bangguo, secretary of the Shanghai municipal party committee; Huang Ju, deputy secretary and mayor of Shanghai; Gu Chuanxun, vice mayor of Shanghai; and responsible comrades of relevant commissions, offices, and bureaus met our delegation. Both parties held a sincere meeting on problems concerning further strengthening of economic and technological cooperation. Shanghai City has long established a profound friendship and close cooperative ties with our province. As early as the fifties, Shanghai City moved a group of enterprises to our province. In the sixties and seventies, it also established a group of enterprises in the south of Anhui under the State Council's industial streamlining project. Meanwhile, our province has provided Shanghai with a large amount of energy, raw and semifinished materials, agricultural and sideline products to support its development. Since the beginning of reform and opening to the outside world, economic and technological cooperation between Shanghai and our province has been further expanded. Due to the fact that the nineties is a critical period for carrying out the second step in the strategic goal of modernization, both sides believe that, under the new situation, it is necessary to further expand economic cooperation and establish a long-term and stable cooperative relationship.

Both sides have expressed their intention to further strengthen cooperation in present projects. Some cooperative agreements have expired, or will be expire, soon. Therefore, both sides will continue to develop cooperative relations in accordance with new market conditions. Some cooperative projects need to be improved, so both sides will supervise relevant departments and enterprises to undergo their conscientious improvement. On this basis, both sides will further widen, through friendly consultation, channels for cooperation so as to bring into full play technological and administrative advantages in Shanghai and resource and labor advantages in Anhui and to continue their cooperative relations. Both sides expressed their belief that there would be great prospects for cooperation in the fields of technological cooperation, scientific and technological key projects, exchanges of personnel and information, and developing conglomerates of enterprises in the next 10 years when Shanghai will upgrade its industry.

Since developing and opening Pudong is a major policy of the CPC Central Committee and the State Council, our province has decided to develop the Wanjiang River in accordance with realities in Anhui. This decision aims at taking advantage of resources and transportation in the area to support the development of Pudong and expedite the development of an export-orientated economy in our province. Our province has a strong ability to manufacture construction materials and is rich in construction manpower. We are capable of providing various raw and semifinished materials of excellent quality and organizing qualified construction workers to help construction projects in Pudong. Our province has established the Yuan Industrial Company in Pudong, a window for foreign trade. This company will concentrate on collecting information, introducing foreign funds, and expanding foreign trade. Our province will establish export-orientated processing enterprises in Pudong. Authorities in Shanghai have repeatedly said that they welcome our participation in the development of Pudong and will provide conveniences as far as possible.

At the meeting, both sides also conducted an extensive discussion on jointly developing domestic and foreign markets and resources, as well as exchanges and cooperation in the aspect of strengthening socialist spiritual civilization. As a result, they have formed a common understanding.

On the evening of 26 June, Jiang Derong, deputy secretary of the Anhui Provincial People's Government, and Yu Yongliang, deputy secretary of the Shanghai Municipal People's Government, signed, on behalf of both governments, a "Summary of the Meeting on Further Improving Economic and Technological Cooperation" of both governments at the Shanghai Building. Mayor Huang Ju and Governor Fu Xishou attended the signing ceremony.

During their stay in Shanghai, members of the delegation visited Pudong and Minhang development zones, large and township enterprises, participated in the inauguration of Anhui's Yuan Industrial Company and the foundation stone laying ceremony for the new building of the company, which is located in Pudong. The delegation also held a forum, attended by noted personages living in Shanghai. In addition, the delegation invited persons from relevant press units to the meeting as guests.

Due to his heavy duty in fighting floods and providing relief to people living in disaster areas. Secretary Lu Rongjing, after the meeting with Shanghai's leaders, left Shanghai for Tuxian County on the evening of 24 June. He went there to investigate damage and study and direct the work of resuming production and providing relief.

The delegation included Zhao Baoxing, standing member of provincial party committee and secretary of the provincial discipline inspection committee, as well as responsible persons of relevant commissions, offices, departments, and bureaus of the provincial government.

More Domestic Investment for Shanghai's Pudong

OW1107094891 Beijing XINHUA in English 0712 GMT 11 Jul 91

[Text] Shanghai, July 11 (XINHUA)—Some governmental departments and enterprises in other parts of China are planning to invest in the Pudong area of Shanghai, east China, according to a senior official from the Shanghai Municipal Government.

Huang Qi, deputy director of the office in charge of the development of the Pudong area under the Shanghai Municipal Government, disclosed that Shandong and Anhui Provinces have submitted applications to rent pieces of land in the finance and trade development zone in Lujiazui. Both provinces intend to invest several hundred million yuan to develop the land.

Meanwhile, some departments under the central government have decided to take an active role in the construction of the Waigaoqiao power plant and the Waigaoqiao harbor project in the Pudong area.

The Ministry of Aerospace Industry has drawn up plans to establish a large enterprise group in Pudong. The group will comprise all of the ministry's enterprises in the Yangtze Delta area. The ministry is also making plans to transfer some of its senior researchers and technicians to the Pudong area from its enterprises located in the country's interior.

The China Petrochemical Corporation expects to expand its subordinate unit, namely the Shanghai Waigaoqiao Petrochemical Company, into a large petrochemical complex.

Moreover, the China Electronic Industrial Corporation is preparing to set up a "Silicon Valley" in the Pudong area.

Deputy Director Huang said that the Shanghai Municipal Government had promulgated some preferential rules and regulations to attract more investors from other parts of China.

Huang Ju Congratulates Singapore Trade Fair

OW1007100891 Beijing XINHUA in English 0906 GMT 10 Jul 91

[Text] Singapore, July 10 (XINHUA)—The opening ceremony of Shanghai Expo '91, the first important trade event ever since the establishment of Sino-Singapore diplomatic ties last October, was held today in Raffles City of Singapore.

Present on the occasion were more than 400 guests from Singapore, Malaysia, Indonesia, the Philippines, Hong Kong and Thailand.

Director of the Singapore Trade Development Board Yeo Seng Teck and Chinese Ambassador to Singapore Zhang Qing cut a ribbon for opening the fair.

Mayor of Shanghai Huang Ju noted in his congratulatory message that the fair would further promote development of trade and economic technical cooperation between Shanghai and Singapore.

He also welcomed more businessmen and investors of Singapore and other countries to visit and invest in his city.

Singapore businessmen and investors have showed keen interest in 500 exhibits at the fair.

The six-day fair is expected to attract some 1,000 visitors and the value of orders could be around 40 million U.S. dollars.

The Shanghai Expo '91 is jointly organized by Shanghai Municipal Foreign Economic Relations and Trade Commission and Zhongzhan Exhibition Services Pte. [Private] Ltd. of Singapore.

Central-South Region

Guangdong Holds Antinarcotics Work Meeting

HK1107064391 Guangzhou Guangdong People's Radio Network in Mandarin 1000 GMT 10 Jul 91

[Text] At a provincial antinarcotic work meeting opened this morning, Vice Provincial Governor Ling Botang, pointed out: Drugs are very harmful. They bring calamity to our country and harm our nation. Guangdong has now become a province where the issue of drug trafficking and drug taking is comparatively serious. We should be determined and make efforts to solve this problem well.

In his speech, Ling Botang emphasized: Government at all levels should handle antinarcotics work, treat it as a matter of primary importance, and place it on their important work agenda. It should be covered by the goal-directed management responsibility system linked with term of office, and included in the contents of building spiritual civilization. Number one men, and leaders in charge of relevant departments should grasp the work. Work at each level is supervised by its immediate higher authorities. Criteria should be set up for investigating and examining the work, and achievements must be scored.

Vice Provincial Governor Ling Botang reiterated that with regard to those serious criminal elements involved in drugs, legal and judicial organs should resolutely deal with them according to the law in a timely, serious, and prompt manner. As for drug addicts, they should be housed once they are discovered, and a method of forced detoxification should be employed. With regard to those government functionaries who are involved in drug taking, their cases should be dealt with according to the law. Besides, the party and government should take disciplinary actions against them in light of the seriousness of their cases. They could even be expelled from the party, or discharged from public employment.

Guangdong To Crack Down on Drug Trafficking

OW1107102791 Beijing XINHUA in English 0757 GMT 11 Jul 91

[Text] Guangzhou, July 11 (XINHUA)—A provincial official of Guangdong Province, south China, said on Wednesday that Guangdong will launch a "people's war" against drug trafficking and abuse.

Speaking at a provincial meeting convened yesterday, Vice-Governor Ling Botang urged all local governments to launch a province-wide campaign against drug-trafficking.

Ling said that Guangdong will do all it can to crack down on drug trafficking and abuse within one or two years.

The official said that these problems have become rampant in the province. He noted that Guangdong has become one of the important channels for international drug trafficking, adding that overseas drug traffickers have been transporting drugs produced in the "golden triangle" in southeast Asia through Guangdong to international markets.

Official statistics shows that a total of 1,000 cases have been exposed, over 2,500 drug traffickers have been arrested, and nearly 400 kg of heroin and 1,400 kg of opium and other drugs have been seized in Guangdong since the province issued a temporary provision on drug trafficking and abuse in 1981.

Li Changchun at Henan Emergency Flood Meeting

HK1007013691 Zhengzhou Henan People's Radio Network in Mandarin 2200 GMT 7 Jul 91

[Excerpts] The provincial flood prevention headquarters held an emergency meeting yesterday afternoon [7 July]. Governor Li Changchun called upon the people across the province to brace their spirits and work together to fight floods in the south and drought in the north to ensure good harvests. [passage omitted]

At the meeting various departments reported on how the floods in Xinyang and Zhumadian Prefectures and the drought in (Yubei) Prefecture had been fought.

Governor Li Changchun, who is also head of the provincial flood prevention headquarters, said: Xinyang and Zhumadian Prefectures have made great achievements in fighting floods. But the weather forecast suggested that there will be more torrential rains. We must not lower our guard. The party organizations, governments, and people in disaster areas should continue to work hard in unity and be prepared to fight greater floods. We must rush-repair projects blocking floods.

Li Changchun called on cadres and people in disaster areas to provide for and help themselves by engaging in production. Efforts must be made to plant late-autumn crops that have not been planted. Field management should be improved. All villages should draw up plans for [words indistinct] to make up for losses in agricultural production with greater achievements in industrial production. Industrial enterprises and township and town enterprises should try to overfulfill their production plans to assist agriculture. Labor departments in disaster areas should continue to export labor services. Xinyang and Zhumadian governments and departments concerned under the provincial government should send cadres to grass-roots units in disaster areas to organize and mobilize the masses to keep average income unchanged despite the decline in agricultural production.

Governor Li Changchun also called on all walks of life throughout the province to improve economic efficiency and do solid things for the people in disaster areas. Newspapers, broadcasting stations, and television should do a good job in providing information and spreading propaganda to encourage the masses to achieve successes in fighting natural disasters. After the meeting comrades in departments concerned headed by Vice Governor Song Zhaosu rushed to the most severely afflicted areas in Xinyang to provide guidance for the struggle against floods.

At Huang He Diversion Project

HK1007031491 Zhengzhou Henan People's Radio Network in Mandarin 2000 GMT 8 Jul 91

[Excerpt] While taking part in physical labor in the western sector of (Yangqiao) irrigation area, (Nansha) village, (Jinmo) County yesterday [8 July], Governor Li Changchun called on all localities to take immediate action to step up construction of projects diverting water from the Huang He for irrigation purpose, by utilizing loans. Also taking part in the physical labor were Wu Jichuan, Yu Youxian, and others.

Utilizing loans is an important measure for stepping up the construction of projects diverting water from the Huang He for irrigation purpose. In the next three years beginning this year [words indistinct] is to provide Henan with a total of 150 million yuan in support of these projects. [passage omitted]

Guan Guangfu Chairs Hubei Flood Meeting

HK0907151091 Wuhan Hubei People's Radio Network in Mandarin 1130 GMT 6 Jul 91

[Excerpts] This morning, the provincial party committee standing committee called an emergency meeting to study the present provincial flood prevention and resistance situation. [passage omitted]

The meeting was presided over by provincial party committee Secretary Guan Guangfu.

The meeting revealed that a total of 12.5 million mu of farmland across the province has been waterlogged. Most of the farmland in Jingzhou, Xiaogan, Huanggang, Xianning, and other areas has been inundated by floods. More than 120 people have been killed and more than 80,000 peasant houses destroyed or damaged in the successive rainstorms and heavy rain. [passage omitted]

Since the disaster began, party and government leaders at all levels have been to the disaster resistance forefront and done a lot of organization, coordination, and guidance work. More than 2 million people across the province have participated in the disaster resistance work and fought the disaster day and night. The collective and cooperative economic organizations have played an immense role in the disaster resistance work. All trades and professions have also done a lot of work for the disaster resistance work. [passage omitted]

The provincial party committee standing committee meeting laid stress on the following aspects of work:

 Party and government leaders at all levels must further heighten understanding of the importance of the present flood prevention and resistance work, strengthen their own sense of urgency and sense of responsibility, and vigorously fight the disaster to ensure a good harvest as well as safety; [passage omitted]

- 2. It is necessary to concentrate efforts on simultaneously grasping the work of resisting waterlogging and draining waterlogged fields on the one hand and the work of preventing and resisting severe floods on the other; [passage omitted]
- 3. All trades and professions must actively support and render services to the work of preventing severe floods, draining seriously waterlogged fields, and fighting serious calamity: [passage omitted]
- 4. It is necessary to strengthen leadership over disaster resistance work. Party and government leading comrades at all levels must conscientiously organize people and go to the disaster resistance forefront so as to really play a core role and a powerful organizing role. [passage omitted]

Yesterday and today, all the provincial party committee standing committee members went deep into Xiaogan, Jingzhou, Huanggang, Xianning, and some other front areas respectively to investigate the flood prevention and waterlogging resistance situation and help the work there.

Visits Hanchuan Flood Sites

HK1007044591 Wuhan Hubei People's Radio Network in Mandarin 1130 GMT 7 Jul 91

[Excerpts] On 6-7 July, provincial party Secretary Guan Guangfu and responsible persons of other relevant provincial departments went deep into flood-striken Hanchuan County to investigate the disaster situation and discuss and study with cadres and masses in the flooded area some urgent issues which were to be solved in the course of combating floods. [passage omitted]

This morning, Comrade Guan Guangfu listened to reports by the Xiaogan Prefectural and Hanchuan County CPC Committees on the disaster situation and the efforts to combat floods. Due to incessant torrential rains since 30 June, more than three million mu of farmland in Xiaogan Prefecture have been affected by floods, and flood-afflicted area in Hanchuan County has reached 760,000 mu, 470,000 mu of which are seriously afflicted area. About 37,000 peasants' houses were flooded out, some of which have collapsed. [passage omitted]

Comrade Guan Guangfu fully affirmed determination, guidance thinking, and specific measures taken by the Xiaogan Prefectural and Hanchuan County CPC Committees for preventing floods, ensuring safety, draining flooded fields, and striving for a bumper harvest. He said: At present, the focus of our rural work is: resisting waterlogging, draining flooded fields, and fighting serious floods. Now we should mainly devote our efforts to draining flooded fields. In the meantime, we should arrange well the work of fighting serious floods. We should be determined to combat the disaster for a long time, and fight serious disasters and various kinds of serious disasters. In the drive to drain flooded fields, we

should further inspire our enthusiasm, boost our fighting will, and reassure the masses. We should persist in simultaneously using our machines and manpower, and operating both big and small machines. Fighting units can be based on village, group, or household. We should courageously fight a people's war. [passage omitted]

Hubei Governor Chairs Emergency Flood Meeting

HK0907070291 Wuhan Hubei People's Radio Network in Mandarin 1130 GMT 8 Jul 91

[Excerpts] The provincial flood-control headquarters held another emergency meeting yesterday evening to analyze the current disastrous conditions of rainfalls and floods, calling on all localities to get prepared, and take immediate action to prevent and control floods and waterlogging.

Guo Shuyan, governor and commander of the provincial flood-control headquarters, presided over and addressed the meeting. The meeting considered Hubei's recent suffering from excessive rainfall which has lasted for a long period and affected a wide range of areas, and the extremely grim flood and waterlogging situation. Under such circumstances, efforts should be concentrated simultaneously on draining waterlogged areas, and on preventing and controlling extraordinary floods.

The meeting called for efforts in the following aspects:

- Continued efforts should be made to drain waterlogged areas; make use of all available drainage equipment; and ensure supplies of electricity and fuels [passage omitted]:
- 2. It is necessary to take immediate action and make mental, material, and organizational preparations to prevent and control extraordinary floods. Flood-control materials and equipment should be transferred to appropriate places as soon as possible [passage omitted]:
- All localities should take the overall situation into account and unite as one in flood prevention and control [passage omitted];
- 4. Medical departments should immediately send medical teams to rural areas, and prevent the possible spread of diseases; and farm machinery departments should organize and send maintenance teams to rural areas to rush-repair drainage equipment.

Also present at yesterday's meeting were Vice Governors Li Daqiang and Zhang Huainian, Secretary General of the provincial people's government (Zhou Jianwei), and others.

Xiong Qingquan Outlines Hunan Flood Measures

HK1007051191 Changsha Hunan People's Radio Network in Mandarin 2200 GMT 8 Jul 91

[Excerpts] Xiong Qingquan, provincial party committee secretary, went to Nanxian County, at the forefront of the struggle against flooding, to inspect the state of floods and disaster and listened to reports by the various departments concerned. Then he raised four opinions on the current war against flooding.

- We should be prepared to fight various serious natural disasters. At present there are serious floods in the areas around the Dongting Hu while southern Hunan is being continuously hit by drought. Instead of lowering their vigilance, all levels of leadership should always be mentally prepared to fight various serious natural disasters.
- 2. It is necessary to strengthen leadership and meticulously arrange the struggle against natural disasters. All levels of leadership must take on responsibilities and clearly divide work among themselves. They should mobilize and rely upon the masses to conquer natural disasters.
- 3. It is essential to properly handle various contradictions. Take the contradiction between floods and large dikes for example. Large dikes have been washed against for a long time resulting in many weakened sections. It is necessary to repair them in time. [words indistinct]
- 4. All departments must improve services on their initiative to truly solve various problems. [words indistinct] to arrange for the victims' well-being, protect the labor force, and do a good job in helping people in disaster areas to provide for and help themselves by engaging in production. [passage omitted]

Hunan Governor Inspects Flood-Fighting Work

HK0907023591 Changsha Hunan People's Radio Network in Mandarin 2200 GMT 6 Jul 91

[Text] Extensive rainstorms in the valley of the Lishui River have given rise to some record high water levels. Party, government, and military leaders at various levels went to the scenes and organized and directed flood-fighting operations. From 30 June to 0800 yesterday morning, 31 hydrometric stations in the valley of the Lishui River registered an average rainfall of 328.5 mm, over 500 mm in many places. The station in Liangshuikou of Sangzhi County reported 576 mm.

The water levels in various places west of Dongting Hu rose sharply and Shimen, Jinshi, and Lixian experienced three flood peaks one after another. The water level in Jinshi at 2100 last night reached 43.75 m, 0.44 m higher than the previous record level. Some small embankments and dams, such as those of Pengping, Maoping, Guanshan, and Baima in Lixian and Jinshi were overflowed or burst one after another. Up till now, 3.7 million mu of farmland all over the province have been flooded, 1.158 breaches have been made in water conservancy works, 69.6 km of river banks have burst, 693 houses have collapsed, and 53 people have died, causing a direct financial loss of more than 114 million yuan.

After the floods broke out, party, government, and military leaders at various levels quickly went to the scenes and organized and directed flood-fighting operations. Yesterday evening, provincial deputy party secretary and provincial Governor Chen Bangzhu, provincial

party committee standing committee member and Vice Governor Dong Zhiwen, provincial people's congress member (Fu Shengyuan), and comrades in charge of relevant departments directly under the provincial authorities went to the provincial flood-fighting headquarters to guide flood-combating of the entire province.

No sooner had they arrived at the flood-fighting headquarters than provincial Governor Chen Bangzhu and Vice Governor Dong Zhiwen started to study meteorological cloud charts carefully and analyze the wind and rain developments with the duty personnel. When they learned that the situation was critical at Jinshi's Yangyou dam and Jiu dam, and the section of embankment from Lixian to Huangshawan, Governor Chen immediately phoned up Changde prefectural party secretary (Pang Daomu), mayor of Jinshi (Liu Wendong), and Lixian county party secretary (Mo Daohong). Governor Chen made detailed enquiries about the water and rain developments in Jinshi and Lixian. He emphasized on the phone that it was imperative to strengthen patrols and seek every possible means to save the embankments; to pay particular attention to dangerous works and sections; and to repair low dams promptly. Governor Chen also phoned the comrades in charge of Anxiang County, Changde City, inquiring about their flood situation, and sent his regards over the phone to the broad ranks of cadres and masses in the forefront of flood- fighting.

In the meantime, Vice Governor Wang Keying, vice mayor of Changde City (Qin Xuezhen), and persons in charge of the relevant departments directly under the provincial authorities took a night trip to Jinshi to direct the operations on the spot. Deputy commander of the provincial military district (Xiao Qiuru), leading 300 soldiers from four companies of a unit stationed in Zhouqiao, rushed to Changde City in the shortest time possible and the soldiers went in two directions to Jinshi and Lixian to help fight the disaster.

The party, government, and military leaders in Changde City went to Shimen, Lixian, Jinshi, and Anxiang to organize and direct flood-fighting operations. More than 100 cadres in Lixian went to Jiuyan dam and Dawei dyke and organized over 3,000 people to rush-repair unworkable embankments overnight. They expressed their determination to protect the embankments as long as they were alive and ensure the safety of the Liyang plain.

At present, over 200,000 cadres and civilians are fighting day and night in the forefront of flood-combating, patrolling and rush-repairing unworkable embankments and [words indistinct].

North Region

Li Ximing at Beijing Party Anniversary Forum

OW 2706203091 Beijing XINHUA Domestic Service in Chinese 1329 GMT 26 Jun 91

[By reporter Wang Wei (3769 5588)]

[Text] Beijing, 26 Jun (XINHUA)—The Beijing Municipal CPC Committee invited Beijing-based personages from various democratic parties, the All-China Federation of Industry and Commerce, various ethnic groups, and religious circles, as well as representatives of people with no party affiliation from various sectors, to a discussion meeting today to mark the 70th anniversary of the founding of the CPC.

Li Ximing, member of the Political Bureau of the CPC Central Committee and secretary of the Beijing Municipal Party Committee, spoke at the meeting. He said: The CPC and the united front under its leadership have a history of 70 years. During their protracted struggle, various democratic parties stood together with the CPC through thick and thin to form and strengthen the system of multiparty cooperation and political consultation under the CPC leadership. They made vital contributions toward scoring victory in the new democratic evolution and building the PRC. Li Ximing stressed: The party's leadership over the united front mainly concerns political principles, political direction, and major principles and policies. In order to better uphold and improve party leadership, we must continue to strengthen party building and the party's ideological education and organizational construction, as well as improve party style. We sincerely hope that friends with no party affiliation will, as in the past, help us do a good job in party building, and we welcome their supervision.

On behalf of various democratic parties, Chen Mingshao, chairman of the Beijing Municipal Committee of the Jiusan Society, presented a congratulatory letter to the Beijing Municipal CPC Committee over the 70th anniversary of the CPC's founding. The letter warmly praised the CPC-led patriotic united front and expressed the wish to continue working under the CPC leadership with one heart and one mind, share weal and woe, expand the role of parties involved in the administration of state affairs, and adopt the path of building socialism with Chinese characteristics.

Responsible persons of various democratic parties and personages from ethnic groups and religious circles in Beijing also spoke at the meeting.

Chen Xitong, state councillor and mayor of Beijing, attended today's discussion meeting.

Xing Chongzhi Addresses Hebei Religious Forum

SK0807065991 Shijiazhuang HEBEI RIBAO in Chinese 6 Jun 91 p 1

[By Han Shaojun (7281 4801 0689): "Deeply Conduct Education on the Marxist Religious Concept"]

[Text] On the morning of 4 June, Xing Chongzhi, secretary of the provincial party committee, held a forum of some delegates to the provincial religious work conference, during which he stressed: It is necessary to

deeply conduct education on the Marxist religious concept and on the party's religious policies, and make religious work better serve social stability and the construction cause.

Xing Chongzhi said: To deeply conduct education on the Marxist religious concept and on the party's religious policies, we must pay special attention to solving two issues: 1. We should make the vast number of party members, cadres, and the masses to generally understand the party's basic policies towards religions, namely, freedom in religious belief. Citizens have the freedom to believe or not to believe in any religion. 2. In practical work, we should draw a clear line of demarcation between normal religious activities and lawbreaking activities. All activities that are permitted by law and policies should be protected and those that are not permitted must be resolutely checked. Those who use religions to engage in disruption and to carry out all sorts of feudal and superstitious activities that are not in the religious framework in order to harm the interests of the state and the life and property of the people must be dealt with in line with law. By no means should we treat them leniently. In line with the local reality and the current activities on socialist ideological education, we should actively conduct education on patriotism. socialism, and national unity among the broad masses of people. It is necessary to extensively conduct education on dialectical materialism, historical materialism, and atheism among the broad masses of youths, train them into a generation of persons with new ideals, morality, education and a sense of discipline.

Practice shows that places where the grass-roots party organizations are strong in fighting capacity and the grass-roots basic work is good will have fairly normal religious activities; places where religious issues are comparatively prominent, generally speaking, the grass-roots party organizations are comparatively weak. Therefore, we must actively streggthen the work of grass-roots party organizations, particularly the building of grass-roots party organizations in villages where many religious belivers live. We should consolidate the weak and listless leading bodies, enhance their fighting capacity, realistically build party branches into strong fighting bastions and make religious work submit more to and serve better the party's general policy and general task, enable the party's religious policies to be better implemented and the religious belivers and non religious persons to become more united and to make joint efforts to promote the province's constuction and reform undertakings.

Li Bingliang, Song Shuhua, Wang Shusen, and other provincial leading comrades also attended the forum.

On Township Enterprises

SK1007010091 Shijiazhuang HEBEI RIBAO in Chinese 8 Jun 91 p 1

[Text] At the provincial radio and televised rally on the development of township enterprises which was held today, Xing Chongzhi, secretary of the provincial party committee, emphatically pointed out: In developing township enterprises, it is necessary to pay attention to technology and trained personnel. All localities should further place economic construction on the path of scientific and technological [S&T] progress and should improve the quality of laborers.

Xing Chongzhi said: In the process of developing township enterprises, we must give prominence to S&T and trained personnel. In 1988, Comrade Deng Xiaoping summed up the new trends and new experiences of the current world economic development and profoundly proposed the scientific thesis that "S&T is the first productive force." This has enriched and developed the Marxist theory on S&T and productive forces and has manifested the 1 ajor role of S&T in stimulating the development of productive forces and the social economic development of the present age. Numerous facts show that if laborers grasp S&T, the people's ability to understand, transform, and protect nature will be greatly enhanced; if S&T is combined with the means of production, the efficiency of the means of labor will be raised by a large margin and thus lead to a great enhancement of labor productivity. S&T is concentrated in the various essential factors of the productive forces, have run throughout the whole course of production and economic development, and serve as "locomotives" for stimulating economic development. At present, the higher and the lower levels throughout the province are of one heart and one mind. They are conscientiously implementing the 10-Year Program and the Eighth Five-Year Plan of our province and struggling to fulfill the second-step strategic objective. As long as we further shift economic construction to the path of S&T progress and further improve the quality of laborers, it is possible for us to accelerate the realization of the second-step strategic objective.

To develop industry, agriculture, and township enterprises, we must not depart from S&T. The party Central Committee and the State Council pointed out several times that in developing township enterprises, we must adhere to the principle of "giving active support, making rational plans, providing correct guidance, and strengthening management." We also must enable township enterprises to constantly and steadily develop on the basis of unceasingly raising enterprise quality and economic efficiency. After approximately 10 years of development, township enterprises across the province have grown to a fair size. However, many enterprises are still backward in the means of production, low in managerial level and product quality, and poor in economic efficiency and competitive ability. These problems have remained very prominent in enterprises. To solve them, we must rely on S&T progress, exert strenuous efforts to raise our technical and management levels, and enable more township enterprises to end the backward situation in technology and management. We should enable more township enterprises to join the ranks of those in the country with advanced means of production, advanced operations and management, and good product quality.

To attain this objective, in addition to having leaders pay attention to the important factor of the "first productive forces," we must also pay great attent on to the role of trained personnel. Practice shows that the key to developing S&T lies in our efforts to train and show respect for trained personnel. In the final analysis, the competition of S&T means a competition of trained personnel. In developing township enterprises, all localities should actively bring in all kinds of trained personnel on the one hand while exerting efforts to discover local trained personel on the other hand. All localities should do a good job in ideological work and fully display the enthusiasm and dynamic role of the existing trained personnel. Meanwhile, we should look into the future and pay attention to training all sorts of personnel we need. On this issue, many township enterprises in our province have accumulated quite a number of successful experiences, such as bringing in trained personnel and training personnel through various methods, particularly the method of training personnel with the support of scientific research institutes, colleges and universities, and the technial forces of large and medium-sized enterprises. It is hoped that the relevant departments will conscientiously sum up these experiences and popularize them throughout the province.

Xing Chongzhi called on all prefectural, city, county, and township party committees and governments to assign one responsible comrade to personally grasp the work concerning township enterprises. All departments should actively and voluntarily participate in and support the development of township enterprises. All localities should arrange the existing township enterprises in order; organize administrative, S&T personnel to "examine" them one by one; and purposefully solve their problems in the course of development. We may also organize good enterprises, including state-run enterprises, to specifically help some township enterprises, establish various forms of enterprise groups led by good enterprises, and set rigid targets for each and every enterprise, such as which technologies it should popularize and apply and which new products it should develop each year, in an effort to raise the quality and efficiency of township enterprises.

Wang Qun at Inner Mongolia Party Meeting

SK0907060091 Hohhot Inner Mongolia People's Radio Network in Mandarin 2200 GMT 8 Jul 91

[Text] The autonomous regional party committee recently held an enlarged Standing Committee meeting to review and summarize the region's economic work carried out in the first half of this year. Wang Qun called for efforts to strengthen leadership, give prominence to key points of the work, carry them out in a down-to-earth manner, hold responsibility from the beginning to the end, achieve success in the general war for economic work with concentrated energy and facilitate the further development of the work.

The meeting noted: In general, the region's economic work was in good shape and was progressing in the first half of this year. In particular, a good situation leading to bumper harvests in agriculture and livestock breeding again emerged after the bumper harvests last year. Industrial production and financial revenues showed an increase compared with the corresponding period last year. However, there are still some problems we must not neglect. For example, the problem of purchasing and storing farm, animal, and sideline products after bumper harvests, and the problem of stockpiling goods, and the debt-chains that exist in industrial production. These problems restricted the further development of the region's economy at varying degrees.

Participants at the meeting conducted conscientious and in-depth analysis and discussion og these problems and pooled their wisdom to put forward many pertinent suggestions and ways to solve the problems.

Wang Qun, secretary of the autonomous regional party committee, pointed out in his speech delivered at the end of the meeting on 5 July: Although these problems were temporary problems and difficulties emerging in the process of progress, we must have a full and clear understanding of them, step up efforts to solve them and never take them lightly. This year is the first year for implementing the Eighth Five-Year Plan. Leaving some problems une sived will affect not only the work of this and the next year but also the development for the next five or 10 years or a still longer period of time. We should proceed from the reality of our region, act according to the law of value, develop our strong points, eliminate the weak points, and pay close attention to the variety. quality and efficiency of products. We should first solve our problem of lagging behind others in ideology if we are to solve the problem of lagging behind in the economy. Otherwise, the difference between us and advanced localities will be widened.

Speaking on the current economic work, Comrade Wang Qun emphasized: We should give prominence to the key points of work and carry them out in a down-to-earth manner. First, we should achieve success: 2000 purchase of farm, animal, and sideline products. Second, we should climinate the stockpiling of industrial goods. Third, we should resolve the shortage of transport capacity. Fourth, we should invigorate enterprises and enliven the economy, with the focus on key enterprises and key localities. Fifth, we should clean up debts among enterprises.

Wang Qun said: The central authorities and the autonomous region have worked out clear-cut policies toward the problems in the current economic work. The key is to carry them out successfully. All levels and all localities should work out realistic, feasible, and specific detailed principles in line with their actual conditions and conscientiously implement them.

Wang Qun particularly emphasized the importance and urgency of the work to strengthen leadership and put

forward specific requirements. He said: Party committees and governments at all levels in all localities should strengthen leadership. All departments and all trades should work in coordination, hold their responsibilities, develop their advantage as a whole, and concentrate their efforts to win a victory in the general war for economic work as they do in the preparations for the Nadam Fair. Leading persons should attend to specific work instead of holding meetings and issuing documents alone. They should go to lower levels to conduct investigations and study and solve problems one by one. Higher levels should have the courage to decide on work and hold the responsibility and truly invigorate enterprises. Leading persons should pay attention not only to minor work but also to overall coordination and planning. Enterprise leaders should rely on the working class, boost the enthusiasm of the masses, persist in reform, overcome difficulties, and invigorate enterprises. All localities and leading persons at all levels should work out their goals and never give up until they are attained.

Inner Mongolia Studies Jiang Zemin Speech

SK0407131391 Hohhot Inner Mongolia People's Radio Network in Mandarin 1000 GMT 3 Jul 91

[Text] The autonomous regional Party Standing Committee has watched and listened to the television relay of the celebration held in the capital on the 70th anniversary of the CPC's founding and held earnest discussion on the important speech made by Comrade Jiang Zemin at the celebration.

During the forum, the participating members urged party organizations at all levels and the broad masses of party members and people throughout the region to study the speech.

They contended that the speech given by Comrade Jiang Zemin had summarized in a scientific way the party's glorious history developed over the past 70 years, accurately pointed out the dignified missions of the CPC members, and meticulously elaborated the extreme importance of further enhancing the party building. Thus, the speech has an extremely important bearing on guiding and encouraging the entire party and the people of various nationalities across the country to unswervingly uphold the party's basic line, to resolutely follow their own road, and to win a still greater victory in socialist revolution and construction.

They contended that party organizations at all levels and the broad masses of party members and people across the region should do a good job in earnestly studying the speech. First, party organizations at all levels across the region should attach high importance on the study; regard the speech given by Comrade Jiang Zemin as an important content of studying course undertaken by party members and cadres in the latter half this year; and should closely integrate the study of the speech given by Comrade Jiang Zemin with that of the spirit of the Seventh Plenary Session of the 13th CPC Central Committee, of the basic theories of Marxism-Leninism-Mao Zedong Thought, of the theories of party building, of the line, principles, and policies issued by the

party since the Third Plenary Session of the 11th CPC Central Committee, and of the policy decisions and directives issued by the central authorities since the Fourth Plenary Session of the 13th CPC Central Committee. Second, leading personnel at all levels should successfully take personal charge of the study and take the lead in making a success in the study. Party committees at all levels should urge their leading group in charge of the study to make arrangements for the study as soon as possible; to have studying participants discuss the issues one by one and master the substance based on the principle of earnestly reading the speech's text, and repeatedly study and deeply understand the several important issues elaborated in the speech; and to adequately make time arrangements for the study so as to integrate the study with work. Third, efforts should be made to uphold the principle of integrating theories with practice. The speech given by Comrade Jiang Zemin represents a political report with the significance of the age and an important matter concerning theories, policies, and practice. Therefore, we should integrate the study with the current education on the situation and tasks, on patriotism and socialism, and on safeguarding the motherland's unification and the nationalities' unity. We should also have the studying participants discern the cardinal issues of right and wrong through the study; enhance their confidence in the party, socialism, and Marxism-I eninism-Mao Zedong Thought; and make contributions to fulfilling the second-phase strategic target by displaying the spirit of enthusiasm and selflessness.

Inner Mongolia To Enliven State Enterprises

SK0907082191 Hohhot Inner Mongolia People's Radio Network in Mandarin 1000 GMT 6 Jul 91

[Text] The autonomous regional party committee and people's government recently put forward 11 policies and opinions for deepening the reform drive and continuously enlivening state-run enterprises. The major contents of the 11 policies and opinions are as follows:

1. Efforts should be made to implement the right of enterprises to self-determination. Except for the directive given by the autonomous regional people's government, any unit or department should not withdraw or intercept the self-determination right which was originally owned by enterprises or has already been released to them, including the right of establishing organs, of appointing and dismissing cadres, of distributing income, of selling their products, and of utilizing their funds. We should resolutely have enterprises own these rights and return all withdrawn rights to them and closely rely on the managers and the broad masses of producers in enterprises to enliven themselves. Mediumsized and small enterprises as well as large enterprises which have conditions may have their plant director, manager, and secretary of their party committee exercise unified leadership. Enterprises whether they exercise unified leadership or separate their administration from their party affairs must enhance the political and core position of the party committee and ensure the supervisory role of the party committee.

- 2. Efforts should be made to actively push forward reform in the distribution system. In conducting distribution, we should realistically achieve a relationship among wages, bonuses, economic results, and quality: set up adequate grades in distributions; and enable the incomes of staff members and workers to follow the changes of enterprise economic results and to link up the distribution with individual labor and technical capability, individual work duty, individual intensity of labor, individual labor environment, and product quality.
- 3. Efforts should be made to increase the circulation funds of enterprises themselves. In line with the existing provisions, the 10-15 percent or profits last retained by enterprises, the value-added funds accumulated from the overstock products whose prices were raised by the state in a unified way, and the funds accumulated from the nongovernment trade enterprises and from the bank interest difference can be turned into the circulation funds of enterprises themselves. The financial department should return the 50 percent of extra profits handed over by the enterprises which have overfulfilled their contracting target to enterprises for supplementing their circulation funds. The one percent of annual total sales of enterprises may be used for supplementing their circulation funds. The circulation fund levied by the state from enterprises, which accounts for 5 percent of the funds levied by the state, will be ended within five years and what is left will be used to supplement the circulation funds of enterprises. Incomes accumulated by enterprises from the repayment of their outstanding accounts may also be turned into circulation funds. The fixed-quota circulation fund of newly established enterprises and expanded establishments may show a 15 percent increase and gradually reach a 30 percent increase.
- 4. Efforts should be made to conduct the work of extra sales. In line with their needs, enterprises may employ salesmen; however, the quota of salesmen cannot surpass the 10 percent of the total number of their staff members and workers. They also may extract a certain sum of money from the total sale scored by the salesmen for awarding their sale achievements in line with the category of products they sold. However, salesmen are not allowed to take commissions secretly.
- 5. Efforts should be made to uphold the system of evaluation of enterprises operation and management, to actively learn from the experience gained by the Capital iron and steel company. 'a uphold the four cardinal principles, to enhance the scientific management, and to wholeheartedly rely on the working class in operating enterprises. Departments responsible for the work should set up standardized standards for enterprise management in various industries and trades in line with the standards formulated by the state and the autonomous regional authorities with regard to upgrading the level of enterprises, as well as standards for the grades of economic results. In line with the basic demand for the internal management of interprises and the level of economic results. they should also formulate the comprehensive app ... ethod by fixing the quality and quantity and c' reprises into four grades, A. B.

- C, and D. In line with the grades, departments may conduct classified guidance among enterprises and enforce a special policy among the outstanding ones.
- 6. Efforts should be made to vigorously upgrade the quality of products, to deeply carry out the yearly campaign of improving the quality and increasing the variety of products, to conduct in an overall way the quality control of individual work and other processes, to implement the responsibility system at all levels, and to enhance the enforcement of the system of exercising the right of veto in product quality. When enterprises run by the state or the autonomous region turn out products whose quality has proven to be poor, this situation should be handled by issuing a notification to various localities throughout the region and the enterprises should be consolidated or their products improved within by given date. Those whose products have proven to be poor after reexamination should be deprived of the title of advanced enterprise and their products deprived of the title of fine quality. Meanwhile, their leading personnel should be dismissed from their posts or replaced with others.
- 7. Efforts should be made to readjust the products mix by regarding markets as a guide. New products covered by the development and associated plans formulated by the autonomous regional economic and scientific and technological commissions can be exempted from paying taxes from the day on which they begin to be sold and enjoy the situation of separating value-added taxes from others. New products covered by the development plans formulated by localities and enterprises, which are in conformity with the conditions provided by the autonomous region for new products, may be enlisted in the new product development plan of the autonomous region and enjoy tax reduction and exemption.
- 8. Efforts should be made to accelerate the pace in conducting technical renovations and development. Industrial enterprises may extract one percent of their income earned from sales to be used as a fund for technical development and the electric power, machinebuilding, electric machine, textile, and brewing industries and the intensive processing of grains and oilbearing seeds may surpass their rate of taking money from their incomes for technical development funds by more than one percent. Enterprises which have failed to fulfill the demand may be regarded as failing to honor their production contracts, (?may enjoy) the newly added appreciation fund, and may be free from handing over to the state funds for energy resources and communications and funds from readjusting the budget. On the premise of ensuring the effect of investments and withdrawing the loans in a timely manner, enterprises, projects, and products covered by the autonomous regional plans of key technical renovations may enjoy preferential loans and adequate discounts. We should adequately relax the rate of enterprises in retaining their own funds and enforce the practice of repaying their loans before paying taxes. The financial department should return to enterprises, after their technological

- renovation, 50 percent of their total sales and profits earned over the past two months, payments handed over to the state before technical renovation, product taxes, value added taxes, and income taxes, when these enterprises begin production on schedule or one-month ahead of schedule. Of these returned funds, 80 percent should be used for repaying their loans and 20 percent should be used for giving awards.
- 9. Efforts should be made to resolutely improve the mechanism of macroeconomic readjustment and control. The planning and economic commissions should fully play their functionary role of carrying out comprehensive coordination and the banking departments should upgrade the capability of effectively supplying funds. Except for extremely important arrangements, the autonomous regional authorities will generally refrain from adding mandatory targets to the existing enterprises. Products covered by the mandatory plan for increasing their output within the given date will be generally handled by adopting the measures of fixing their production quality and sales orientation and of not fixing their prices. We should allow enterprises to put off the sale of products covered by the mandatory plan, which cannot be purchased by the state or consumer firms in line with the date set in the contracts, and try to encourage them to fulfill the mandatory plan.
- 10. Efforts should be made to support enterprises to develop enterprise groups. We should have the large enterprise groups established in the autonomous region enjoy greater self-determination, gradually authorize them to undertake independent economic plans, and have them perform their function of establishing financial companies and investment centers. We should help the export-oriented enterprise groups in the region obtain the right of independent import and export from the state, simplify the approval of personnel going abroad, and allow them to open plants or branch offices in foreign countries. The transregional enterprise groups in the region should be allowed to enforce the systems of financial and tax management, which are favorable to the development of enterprise groups, after they have changed their affiliation relationship and their channels of handing over financial revenues and taxes to the state.
- 11. Efforts should be made to safeguard the legal right and interest of enterprises and to resolutely prevent the practice of imposing fines, collecting charges, and apportioning expenses arbitrarily. Enterprises should actively implement the policies, laws, and regulations of the party and country; consciously accept supervision and inspection; and set examples in observing the discipline and law. The departments of discipline inspection, procuratorial affairs, law enforcement, and supervision should resolutely support and protect the legal rights and interests of enterprises. They should strictly prevent the practice of summoning and interrogating enterprises' leading personnel at will and as for carrying out transregional investigation, they should obtain the permission of the local government and the local department

responsible for the work; carry out coordinated investigation and have the local department in charge of the same work take up the investigation; and should wind up the cases in a timely manner. Those who have intentionally made up cases against others should be strictly handled and called to account legally. Units and individuals who have indulged in the practice of imposing fines, collecting charges, and apportioning expenses arbitrarily should be resolutely have economic sanctions imposed on them and their leading personnel should be held responsible for the practice.

Northeast Region

Sun Weiben Addresses Heilongjiang Deputies

SK0907045191 Harbin Heilongjiang People's Radio Network in Mandarin 2100 GMT 8 Jul 91

[Excerpts] On 8 July, Sun Weiben, chairman of the provincial People's Congress Standing Committee, delivered a speech at the report meeting sponsored by the province's deputies' report groups in the city of Harbin. He stated that the deputies of the people's congresses at all levels should do a good job in assuming their glorious historical missions.

Our province has [words indistinct] deputies at all levels. To bring the role of the people's deputies into full play, the provincial People's Congress Standing Committee selected 12 deputies to organize two report groups, which gave 19 reports in various localities across the province during a 15-day period. The report meeting in Harbin city is the last one of their report activities. [indistinct passage omitted]

In his speech, Sun Weiben highly praised the reports given by the deputies and he wished that deputies at all levels throughout the province be able to establish close ties with the masses, to report the opinions and demands of the masses to the higher authorities, to steadily implement the state principles and policies, and to do a good job in assuming the sacred and glorious missions of the people's deputies.

Meets Geodetic Survey Group

SK1107030991 Harbin Heilongjiang People's Radio Network in Mandarin 2100 GMT 10 Jul 91

[Summary] On the morning of 10 July, the theater of the Heilongjiang Provincial Exhibition Hall resounded with applause. The No.1 geodetic survey team of the State Bureau of Surveying and Cartography were lecturing there.

"On behalf of the provincial party committee and the provincial government, Zhou Wenhua, deputy secretary of the provincial party committee, extended a warm welcome to the report groups's visit. He called on the masses of cadres in all trades and professions across the province to take the No. I geodetic survey team of the State Bureau of Surveying and Cartography as an example, and to learn from their lofty spirit of cherishing

the motherland and the socialist cause, and wholeheartedly serving the people, their indomitable fighting will of working hard and fearing no sacrifices, and their devoted spirit of seeking no fame or gain, working selflessly, and sacrificing their own interests for the sake of others."

"Vice Governor Dai Moan presided over the report meeting. Prior to the report meeting, leading comrades, including Sun Weiben, Zhou Wenhua, Shan Rongfan, An Zhendong, Dai Moan, and Quan Yuxiang, met with the report group members at the Hepingcun Hall in Harbin."

Meeting on Heilongjiang Discipline Inspection

SK0907041491 Harbin Heilongjiang People's Radio Network in Mandarin 2100 GMT 8 Jul 91

[Text] The provincial discipline inspection work conference opened in the city of Harbin on 8 July. During the conference, Wang Haiyan, member of the provincial party standing committee and secretary of the provincial Discipline Inspection Commission, delivered a speech on upholding the principle of strictly running the party and ensuring the overall implementation of the party's basic line.

Wang Haiyan stated in his speech that the achievements made by the discipline inspection organs in rendering services for the party's basic line and in escorting the program of economic construction mainly result from utilizing their functionary role and from upholding the principle of strictly running the party and correctly and strictly implementing the discipline and policies. Through the investigation and study conducted in the first half of this year, we set four standards of measuring and testing whether the discipline inspection work is being done to implement the guiding ideology of rendering services for the party's basic line. These four standards are: 1) Whether the discipline inspection work is favorable for developing productive forces and promoting economic construction; 2) whether the work is favorable for protecting the enthusiasm of party-member comrades and the vast number of people, for uniting with and educating the majority, and for fully bringing all contributing factors into play; 3) whether the work is favorable for building up good work style and for promoting a turn for the better in social morale; and 4) whether the work is favorable for ensuring the socialist orientation of conducting reform and opening to the outside world and for ensuring the principle of party spirit in the economic work. We should earnestly understand and master these standards and unify our thinking and understanding. We should ensure that the principle of strictly running the party and the guiding ideology of rendering service for the party's basic line is further embodied in the discipline inspection work.

In referring to the issue of deeply promoting the building of party style and administrative honesty, Wang Haiyan pointed out in his speech that in enhancing them, we should (?concentrate on) dealing with the problems about which the masses have lodged strong complaints and ensure that the settlements are satisfactory to the masses. To fulfill this task, first, we should continuously do a good job in conducting the work of correcting the malpractices occurring in various industries and trades in line with the demands made by the CPC Central Committee and the State Council. Second, in line with the province's actual situation, we should emphatically deal with the malpractices of accepting gifts and bribes, of hosting extravagant banquets with public funds, and of abuses in employing personnel.

Sun Weiben Speaks

SK1007065491 Harbin Heilongjiang People's Radio Network in Mandarin 0900 GMT 9 Jul 91

[Text] Sun Weiben, secretary of the provincial party committee, delivered a speech at the provincial discipline inspection work conference. He pointed out that we should upgrade our understanding, have the entire party join in the discipline inspection work, and realistically do a good job in building party style and administrative honesty.

Sun Weiben pointed out in his speech that judging from the demands set by the CPC Central Committee and the experience gained by various localities across the province in their practice, we should firmly grasp the following tasks in enhancing the building of party style and administrative honesty: It is imperative to uphold the guiding ideology of rendering services for the party's basic line, to uphold or implement the principle of strictly running the party, to concentrate all forces on dealing with key problems, to vigorously encourage healthy trends, to further establish or improve the systems of (?rejecting corrosive influences) and preventing peaceful evolution, and to implement the systems in a down-to-earth manner.

In referring to the issue of resolutely having the entire party join in the work of successfully building party style and administrative honesty and the issue of grasping the work steadily and unswervingly, Comrade Sun Weiben stated that in having the entire party join in the work of building up party style, first of all, the party committees should take the lead in the work. Party committees at all levels throughout the province should regard the successful building of party style and administrative honesty as their important mission, schedule, and duty; realistically enhance their leadership over the work; and truly achieve results in attaching importance to the work ideologically, in setting clear tasks, in implementing the tasks organizationally, and in (?drawing up rules) for carrying out the work. In a word, we must push the work forward. Leading cadres at all levels and in various localities should better play their role of setting examples in the work. In inspecting the work done in building party style and administrative honesty, various localities and units should regard the leading organs and cadres as their work emphasis. By soliciting the appraisal of the masses and conducting polls among them, these localities and units should learn about the opinions raised by the people on the work done by these leading organs and

cadres. Problems about which the masses have lodged great complaints should be improved within the given date. Those who have long refused to correct their mistakes or have remained indifferent in the people's complaints should be handled by calling their principal leading personnel to account.

Comrade Sun Weiben emphatically stated in his speech that in successfully grasping the building of party style and administrative honesty, a good job should be done continuously in doing some practical deeds that the people will appreciate. At present, the masses still lodge strong and fierce complaints about the corrosive phenomena and malpractices in rural areas, which merits our great attention. Those localities and units should also do a good job in examining the practical deeds done for the people in the past on the one hand; and further conduct investigation and study on the other hand to learn about the people's feeling, opinions, and demands and to encourage the people to continuously do good deeds for the building of party style and administrative honesty by proceeding from reality.

In concluding his speech, Comrade Sun Weiben stated that party committees should enhance their leadership over the discipline inspection work, emphasize the work properly, have the discipline inspection commission fully play its functionary role, help the discipline inspection commission deal with some practical problems, and continuously do a good job in building party style and administrative honesty.

Heilongjiang Official on Study of Marxism

SK0907084491 Harbin HEILONGJIANG RIBAO in Chinese 29 May 91 p 4

[Excerpts of the speech made by Zhou Wenhua, deputy secretary of the provincial party committee, on 7 May at the provincial experience exchange meeting on encouraging cadres to study Marxist theory, entitled: "Further Deepen the Study of Marxist Theory"]

[Text]

Major Gains and Basic Experiences Gained in Encouraging the Province's Cadres to Study Marxist Theory

Since 1989 when the political storm took place in our country, the CPC Central Committee has attached extremely great importance to the study of Marxist theory among cadres of the whole party, leading cadres in particular. The No. 1 document issued by our province last year was precisely the circular on conducting study of Marxist philosophy throughout the province. Last August, the province convened the provincial experience exchange meeting on encouraging staff members, workers, and the masses to study philosophy. Comrade Li Ruihuan, Standing Committee member of the Political Bureau of the CPC Central Committee and member of the Secretariat of the CPC Central Committee, participated in that meeting. At that meeting, he fully

affirmed and highly appraised the province's activity of studying philosophy, and made an important speech on how to achieve success in the study of Marxist theory. Party organizations at all levels throughout the province have attached extremely great importance to the activity of studying philosophy and socialist theory, and have been meticulous in making organization and arrangements for it. About 700,000 cadres in the province have participated in the study of philosophy and socialist theory. This study has been unprecedented in the number of participants, in scale, and in the enthusiasm of participants.

From the review and summarization of the situation in theoretical study among the province's cadres and the practice of the theoretical education work over the past year, we can see that we have achieved results in the following four aspects:

First, we have deepened our understanding of the Marxist method of thinking; have enhanced our abilities of having the situation under control, dealing easily with contradictions, understanding problems, and making analysis of problems; and have strengthened our consciousness in executing the party's ideological line of seeking truth from facts. Marxist philosophy is a scientific outlook on the world and methodology. In studying philosophy, our basic purpose is to grasp the basic standpoint of Marxist philosophy and to improve the method of thinking and the method of leadership. Last year the province's activity of studying philosophy was unfolded under the background of market slump, decline in industrial economy, and grave difficulties in economic construction and reform. Therefore, in the process of guiding the study, party committees at all levels have paid attention to focusing the study of philosophy among leading cadres at all levels on deepening their understanding of the conditions of the province and of various cities, and on finding out major contradictions affecting and hampering economic development as well as the ways to solve these contradictions. As a result, all localities in the province have energetically encouraged the practice of conducting investigations and studies, and have obtained a new understanding of the direction of industrial readjustment as well as the industries and products in need of readjustment. It should be said that this is one of our major gains in studying philosophy and in solving practical problems with Marxist method of thinking.

Second, we have deepened our understanding of the fact that socialism being bound to replace capitalism remains the general trend of the historical development of the modern society; have enhanced our abilities of seeing through the scheme of "peaceful evolution" plotted by the western hostile forces and of resisting the ideological trend of bourgeois liberalization; and have strengthened our belief that socialism is bound to succeed. Over recent years, the international political situation is changeable, and socialism is confronted with unprecedented challenges in China and in the development of the world. Thus, explanation and guidance are needed for the doubts and puzzles concerning the socialist questions

emerging among cadres and the masses. Various localities have paid attention to closely integrating the study of Marxist philosophy with the study of socialist theory, thus making the vast number of cadres clarify some confused ideas, and initially solving some deep-rooted ideological questions. For instance, the vast number of cadres have obtained a relatively definite understanding of such questions on why we say that only socialism can save and develop China; why China can only carry out the system of multi- party cooperation and political consultation under the leadership of the CPC but not the multi-party system; why China can only practice the ownership system of allowing diverse economic sectors to coexist with public ownership as the predominating system, but cannot practice privatization; and why China must persist in Marxism and regard it as guidance. but cannot advocate the pluralism of ideology.

We have deepened our understanding of the basic theory and the basic practice of building socialism with Chinese characteristics, and have strengthened our consciousness in implementing the party's basic line characterized with "one central task and two basic points." Based on the study of socialist theory, in combination with the provincial wide general discussion on promoting steady economic development, the vast number of cadres have reached consensus in their understanding of the current economic situation, and have further defined, in ideology, the keynote of persisting in the "one central task," the "one principle," and the "one criterion." The "one central task" means regarding economic construction as the central task; the "one principle" means the principle of persisting in party leadership; and the "one criterion" means persisting in the criterion of productive forces.

Fourth, we have deepened our understanding of the party's mass line and mass viewpoint, have enhanced our consciousness of wholeheartedly serving the people; and have strengthened our sense of being public servants. In the process of the study, various localities have combine the study of Marxist theory with the study and the implementation of the "decision" of the sixth plenary session of the 13th CPC Central Committee and the detailed rules of the provincial party committee for implementing the "decision." Some principal leading comrades have taken the lead in going deep into the reality and the masses to conduct investigations on the spot, to analyze typical cases, and to do concrete and good deeds for the masses, thus solving some problems about which the masses have talked and complained much.

From this study, we have accumulated many experiences that we can make use of. They mainly are: That party committees at all levels attach great importance to study and list it as an item on the daily agenda and that principal party and government leaders take the lead in study constitute the key to achieving success in the theoretical study; establishing, strengthening, and strictly executing feasible systems with regard to study constitutes the guarantee for the success in the theoretical study; persistently combining theory with practice constitutes the basic way to achieve success in theoretical

study; and giving full play to the organizational role of propaganda departments and the assistant role of the theoretical educational contingent in conducting theoretical study among cadres constitute the foundation for achieving success in theoretical study. All in all, over the past year or so, our province has scored great achievements, and accumulated many experiences in conducting the study of Marxist theory and the educational work among cadres. This should be fully affirmed. However, it should also be noted that the study is just at the initial stage, and, in particular, the questions concerning socialist theory demand prompt and profound research as well as scientific and persuasive answers. Therefore, we should further deepen, and exert still greater efforts in the study of theory among cadres.

Enhance Understanding, Strengthen Leadership, and Constantly Deepen the Study of Marxist Theory

1. We should further enhance our understanding of the importance of strengthening the study of Marxist theory during the new historical period. First, in face of the current complicated situation abroad and the arduous reform and construction tasks at home, the whole party is urgently demanded to strengthen the study of Marxist theory. When viewed internationally, a socialist ideological trend flaunting various kinds of banners has begun spreading unchecked, and the international hostile forces are seizing this opportunity to rapidly popularize the strategy of "peaceful evolution." Thus, to withstand pressure and to make socialist China stand in an impregnable position, we must defend Marxism with a clear-cut stand. Failing to grasp the basic theory of Marxism-Leninism-Mao Zedong Thought, we will be unable to profoundly comprehend the guiding principles and the basic tasks with regard to the 10-year program and the Eighth Five-Year Plan, set forth by the seventh plenary session of the 13th party Central Committee and the fourth session of the seventh National People's Congress.

Second, to ensure that the party and state leadership at all levels is in the hands of persons loyal to Marxism, we must profoundly conduct education on Marxist theory throughout the party. It should be noted that at present the overwhelming majority of veteran comrades who had participated in the revolutionary work before the founding of the PRC have already retired or will soon retire, the comrades who had participated in the revolutionary work right after the founding of the PRC will also soon retire in large numbers, and young cadres at the age of about 50, in particular at the age of about 35, account for approximately half of the ranks of cadres. Ten or 20 years from now, these young cadres will become a new generation of successors to our cause. Hence, striving to improve the expertise of leading cadres at all levels in Marxist theory, particularly the young and middle-aged leading cadres who will stride from this century to the next, has become an extremely important and urgent task of strategic significance facing the whole party.

2. Major tasks and focal points of cadres' theoretical study at present and in the foreseeable future. A focal

point of the cadres' theoretical education at present and in the foreseeable future is to strengthen the study and research of the basic theory and the basic practice of building socialism with Chinese characteristics, or, in other words, to conduct the study of the fundamental Marxist theory, with the focus on the theoretical systems concerning the building of socialism with Chinese characteristics. From now to 1 July, in combination with the study of philosophy and socialist theory, we should emphatically deepen our understanding of the 12-article principle for building socialism with Chinese characteristics, which was set forth by the seventh plenary session of the 13th party Central Committee. Beginning from the second half of this year, we should schedule one or one and a half years for conducting the study and education on party history and on the theory of party building. During this period, we should focus our efforts on studying and summarizing the basic experiences gained from various different historical periods in persistently integrating the fundamental tenets of Marxism-Leninism with the practice of China's revolution and construction; on clearly understanding the great importance of the work of building party ideology, organization, and work style and the work of strengthening the relations between the party and the masses and between cadres and the masses; and on enhancing the consciousness of studying and dealing with new questions on party building under the conditions of carrying out reform, opening to the outside world, and developing the socialist commodity economy.

3. We should further strengthen leadership over cadres' theoretical study. To achieving success in this study, the key lies in the endeavor of leadership. Party organizations must consider this study as a major matter of fundamental importance, and list it as an important item on their daily agenda. Top and second tier leaders of party committees should personally take a hand in the study, and pay attention to the theoretical education for cadres. Party organizations at all levels should be meticulous in organizing study, should strive to create harmony among propaganda departments, organizational departments, party schools, and various other departments, and should satisfactorily implement various study tasks. In line with the instructions of the central authorities and the arrangements of the provincial party committee, party organizations at all levels should map out long-term plans and short-term arrangements for study in line with the reality of their own units and localities. Party committees and governments at all levels should attach great importance to the theoretical education work, and pay attention to strengthening the building of their propaganda departments, lecturers groups, and study offices. Such departments, groups, and offices should be gradually provided with sufficient comrades who have a strong political awareness, great expertise in theory, and rich practical experiences. At the same time, supports should be given them in human, material, and financial capacities in order to further develop and expand the ranks of Marxist theoretical

workers and to create a new situation in the work of the ideological and theoretical fronts.

Press Briefing on Crime Fighting in Heilongjiang

SK0907121991 Harbin HEILONGJIANG RIBAO in Chinese 6 Jun 91 p 1

[By Liu Heng (0491 1854): "The Public Security Comprehensive Consolidation Committee under the Provincial Party Committee Holds Press Briefing"]

[Text] We should continuously make efforts to fight the battle and resolutely carry through to the end the special campaign of cracking down on appalling cases and catching the fugitives. This is the major content of the announcement made by Bai Jingfu, vice chairman of the provincial public security comprehensive consolidation committee, at the press briefing sponsored by the committee on 5 June on the special campaign of cracking down on appalling cases and arresting the fugitives.

In his announcement, Bai Jingfu first briefed the journalist circles of Shenyang City on the achievements scored in the former period of the special campaign. In May the province cracked down on 5,698 criminal cases, of which, crimes in 1,547 cases are serious or appalling. It arrested 4,447 criminals and criminal elements, of whom, 910 are fugitives. Since the beginning of May, the province has cracked down on all cases of snatching or stealing rifles and of killing people with guns and a large number of vicious cases which can exert great harm and bad influence have been overcome. Meanwhile, the province has cracked down on 238 cases in line with the 464 clues provided by those detained in various jails and detention houses and arrested 111 criminal elements among the cases. There are 91 criminal elements who have actively surrendered themselves to the public security organs and 26 criminal elements who have frankly confessed their crimes to the government organs. Over the past one month, the province has seized 101 rifles of various categories, 209 bullets, 51 kg of dynamite, 2,267 detonators, 593 lethal weapons, and stolen funds and articles worth 5.36 million yuan.

Bai Jingfu stated in his announcement that the provincial authorities had made arrangements for the future work and put forward work demands to various localities. Mainly speaking, party committees and governments at all levels should further enhance their leadership over the campaign and realistically assume the responsibility of meticulously organizing and commanding the campaign. The political and legal departments at all levels and the broad masses of public security cadres and policemen should heighten their spirit, do a good job in assuming the tasks of main forces in the campaign, and should go all out to plunge into the campaign. In combating serious and appalling cases, leading personnel should take personal charge of the cases, organize outstanding workers and able cadres to crack down the key cases, and should organize or concentrate all forces on searching and arresting the key fugitives. The vast number of people should actively go into action and provide clues

for cracking down the cases, dare to resolutely wage a struggle against criminal activities, and should foster a situation in which everyone has been aroused and has joined in the battle.

Heilongjiang Birth Control Priorities Outlined

SK1007034891 Harbin HEILONGJIANG RIBAO in Chinese 5 Jun 91 p 2

[By Wang Suyuan (3769 3307 3293): "Bring the Population Growth Under Strict Control"]

[Text] The population issue is an important one with a vital bearing on the entire economic and social development situation. The key to enabling the people throughout the country to reach the standard of dressing warmly and eating their fill by the end of this century is in bringing the population growth under strict control. The outline of the country's 10-year program and the "Eighth Five-Year Plan" stipulates that during the coming 10 years, we should gradually decrease the rate of natural population growth and confine the yearly average rate of natural population growth within 12.5 per thousand. During the "Eighth Five-Year Plan" period, the province's major target of bringing the population growth under control is to stabilize the rate of natural population growth within 13.3 per thousand. As of 1995, our province should maintain its population number within 37.85 million.

The results of the fourth national census reveal that our province made marked achievements in conducting the family planning work and in bringing the population growth under control during the "Seventh Five-Year Plan" period. During the 1982-1990 period, the province's yearly average population growth showed a 9.4 per thousand increase, a 5.4 permillage points decrease over the 14.8 per thousand of the country, which ranked the province in the first group of provinces across the country that had succeeded in bringing the population growth under control.

However, by no means should we be blindly optimistic, because in the coming 10 years, our province will encounter the severe situation of the third baby boom. During the "Eighth Five-Year Plan" period, the province's number of fertile women will show a 10 percent increase over that of the "Seventh Five-Year Plan" period, and that of women in their vigorous birth period will show a 13 percent increase over that of the "Seventh Five-Year Plan" period. The development of the family planning work among various localities and between urban and rural areas has become extremely uneven. There are 48 counties across the province where the total number of women and birth rate are higher than the province's average ones; and there are 32 counties whose one-child birth rate is lower than the province's average ones. The multiple birth rate at the county level has reached 11.68 percent. The rate of the province's population who have separated from their household has reached 5.98 percent, which is 2.21 percentage point

higher than the country's average. In the coming 10 years, the province's economic and social development will encounter difficulties and problems in the fields of fund accumulation, the development of scientific and technological education, the employment of personnel old enough to work, the optimization and organization of the major means of production, the reasonable utilization of natural resources, and of the protection of the ecological environment. All of these are closely related to population growth. Heilongjiang is a province chiefly engaged in agricultural production and its more of its population is rural rather than urban. During the "Eighth Five-Year Plan" period or the 10-year period by the end of this century, by no means should our province relax even slightly its will to fight in the family planning work. Our province should further improve the work based on the achievements made during the "Seventh Five-Year Plan" period.

The focal points of the province's family planning work in the coming 10 years are as follows:

First, we should enhance our understanding of the emergency of bringing the population growth under control; strengthen the propaganda and educational work concerning birth control; and succeed in "having the entire party join in the work, all people be aroused, and the highest ranking personnel of party and government organs take personal charge of the work and assume general responsibility".

Second, we should establish or improve the doubleorientation and double-track birth control responsibility systems for the attainment of certain managerial objectives, clearly divide the work in family planning activities, earnestly appraise the work results, and adequately award the advanced and punish the backward.

Third, we should stabilize the policy, turn the purely administrative management of the family planning work into management conducted in line with the law; improve the service network and centers of family planning activities; and ensure the supply of necessary funds and the establishment of organs and a contingent of personnel.

Fourth, we should resolutely bring the number of multiple-birth couples under control, further lower the average level of pregnancy opportunities, impose restriction on early marriage and birth, stress late marriage and birth, resolutely bring about a change in the situation in which the average age of marriage is becoming lower, and should continuously put the emphasis of our birth control work in rural areas.

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15 July 1991